

OMB APPROVAL

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Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 12

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549
 Form 19b-4

File No.* SR - 2010 - * 108

Amendment No. (req. for Amendments *)

Proposed Rule Change by Chicago Board Options Exchange
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input checked="" type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)		
Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>			

Exhibit 2 Sent As Paper Document Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked *).

Amendment to Marketing Fee Program

Contact Information

Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change.

First Name * Patrick Last Name * Sexton
 Title * Associate General Counsel
 E-mail * sexton@cboe.com
 Telephone * (312) 786-7467 Fax (312) 786-7919

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer.

Date 12/01/2010
 By Patrick Sexton Associate General Counsel
 (Name *) (Title *)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Patrick Sexton, sexton@cboe.com

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information (required)

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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 (required)

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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 1 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.

Item 1. Text of Proposed Rule Change

(a) The Chicago Board Options Exchange, Incorporated (“CBOE” or “Exchange”) is proposing to amend its fees schedule as it relates to the marketing fee program. The text of the proposed rule change is provided below (additions are underlined; deletions are [bracketed]).

**CHICAGO BOARD OPTIONS EXCHANGE, INCORPORATED
FEES SCHEDULE
DECEMBER 1, 2010**

- 1. No change.
- 2. **MARKETING FEE (6)**.....\$.65
 - XSP.....\$.10
 - Penny Pilot Classes
 - Equity Options.....\$.25
 - ETF, ETN and HOLDRS Options.....\$.25
 - SPY.....\$.25*
 - DIA\$.10
 - QQQQ, EEM and EWT.....\$.00

* For a pilot period from December 1, 2010 through March 31, 2011, the marketing fee will not be assessed on electronic transactions in SPY, except for electronic transactions resulting from AIM. The marketing fee will continue to be assessed on open outcry transactions in SPY.

3. – 4. No change.

FOOTNOTES:

(1) – (5) No change.

(6) The marketing fee will be assessed only on transactions of Market-Makers, e-DPMs, and DPMs, resulting from (i) customer orders from payment accepting firms, or (ii) customer orders that have designated a “Preferred Market-Maker” under CBOE Rule 8.13 at the per contract rate provided above on all classes of equity options, options on HOLDRS, options on ETFs, options on ETNs and index options; except that the marketing fee shall not apply to DJX, DXL, EEM, EWC, EWT, MNX, MVR, OEX, QQQQ, RSP, SPX, VIX, VPL, VWO, XBI, XEO, S&P 500 Dividend Index, binary options, credit default options, and credit default basket options. The fee will not apply to: Market-Maker-to-Market-Maker transactions including transactions resulting from orders from non-Trading Permit Holder market-makers; transactions resulting from accommodation liquidations (cabinet trades); transactions in Flexible Exchange Options; [and] transactions resulting from any of the strategies identified and/or defined in footnote 13 of this Fees Schedule; and transactions in the Penny Pilot classes resulting from orders executed through the Hybrid Agency Liaison under Rule 6.14. A Preferred Market-Maker will only be given access to the marketing fee funds generated from a Preferred order if the Preferred Market-Maker has an appointment in the class in which the Preferred order is received and executed.

Rebate/Carryover Process. If less than 80% of the marketing fee funds collected in a given month is paid out by the DPM or Preferred Market-Maker in a given month, then the Exchange would refund such surplus at the end of the month on a pro rata basis based upon contributions made by the Market-Makers, e-DPMs, and DPMs in that month. However, if 80% or more of the funds collected in a given month is paid out by the DPM or Preferred Market-Maker, there will not be a rebate for that month unless the DPM or Preferred Market-Maker elects to have funds rebated. In the absence of such election, any excess funds will be included in an Excess Pool of funds to be used by the DPM or Preferred Market-Maker in subsequent months. The total balance of the Excess Pool of funds for a DPM or a Preferred Market-Maker cannot exceed \$100,000. If in any month the Excess Pool balance were to exceed \$100,000, the funds in excess of \$100,000 would be refunded on a pro rata basis based upon contributions made by the Market-Makers, DPMs, and e-DPMs in that month. In addition, in any month, a DPM or a Preferred Market-Maker can elect to have any funds in its Excess Pool refunded on a pro rata basis based upon contributions made by the Market-Makers, DPMs, and e-DPMs in that month.

Each month, the Exchange assesses an administrative fee of .45% on the total amount of the funds collected each month; provided, however, that beginning on October 1, 2007, no Market-Maker, e-DPM or DPM would contribute more than 15% of the total amount of funds raised by the .45% administrative fee.

(7) - (17) No change

Remainder of Fees Schedule – No change.

* * * * *

(b) Not applicable.

(c) Not applicable.

Item 2. Procedures of the Self-Regulatory Organization

(a) The CBOE's Office of the Chairman pursuant to delegated authority approved the proposed rule change on November 30, 2010.

(b) Please refer questions and comments on the proposed rule change to Joanne Moffic-Silver, General Counsel, CBOE, 400 South LaSalle, Chicago, IL 60605, (312) 786-7462 or Patrick Sexton, (312) 786-7467.

Item 3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

CBOE proposes to amend its Marketing Fee Program in two respects. First, CBOE proposes to amend the types of transactions in which the fee is assessed in the SPY option class. Currently, the marketing fee is assessed on transactions as set forth in footnote 6 of the Fees

Schedule.¹ In that regard, CBOE notes that it is assessed on both electronic and open outcry transactions. CBOE now proposes to not assess the marketing fee on electronic transactions in SPY options, except that it would continue to assess the marketing fee on electronic transactions resulting from its Automated Improvement Mechanism (“AIM”) pursuant to CBOE Rule 6.74A and transactions in open outcry. CBOE proposes to implement this change on a pilot basis starting on December 1, 2010 and continuing through March 31, 2011.

This proposed change is intended to attract more customer volume to the Exchange in this option class and to allow CBOE market-makers to better compete for order flow. CBOE notes that the SPY option class is unique in the manner in which it trades and is one of the most active option classes. CBOE also notes that DPMs and Preferred Market-Makes can utilize the marketing fee funds to attract orders from payment accepting firms that are executed in AIM and in open outcry. Finally, CBOE believes that the marketing fee funds received by payment accepting firms may be used to offset transaction and other costs related to the execution of an order in AIM and in open outcry, including in the SPY option class. For these reasons, CBOE believes that it would make sense to continue to assess the marketing fee in transactions resulting from AIM and in open outcry in the SPY option class, and would assist in attracting customer volume to the Exchange.

In addition, CBOE proposes to amend its Marketing Fee Program to not assess the fee in transactions in Flexible Exchange Options (“FLEX”), which CBOE believes may encourage Market-Makers to transact in FLEX options. CBOE proposes to implement this change to the marketing fee program beginning on December 1, 2010. CBOE is not amending its Marketing Fee Program in any other respects.

(b) Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the “Act”),² in general, and furthers the objectives of Section 6(b)(4) of the Act,³ in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among Trading Permit Holders in that it is intended to attract more customer volume on the Exchange in SPY options and also to encourage Market-Makers to transact in FLEX options.

Item 4. Self-Regulatory Organization’s Statement on Burden on Competition

This proposed rule change does not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Item 5. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

¹ In particular, the marketing fee is assessed only on transactions of Market-Makers, e-DPMs, and DPMs, resulting from (i) customer orders from payment accepting firms, or (ii) customer orders that have designated a “Preferred Market-Maker” under CBOE Rule 8.13. However, as described in footnote 6, the marketing fee does not apply to: Market-Maker-to-Market-Maker transactions including transactions resulting from orders from non-Trading Permit Holder market-makers; transactions resulting from accommodation liquidations (cabinet trades); and transactions resulting from any of the strategies identified and/or defined in footnote 13 of this Fees Schedule; and transactions in the Penny Pilot classes resulting from orders executed through the Hybrid Agency Liaison under Rule 6.14.

² 15 U.S.C. 78f(b).

³ 15 U.S.C. 78f(b)(4).

Item 6. Extension of Time Period for Commission Action

Not applicable.

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The proposed rule change is designated by the Exchange as establishing or changing a due, fee, or other charge, thereby qualifying for effectiveness on filing pursuant to Section 19(b)(3)(A)(ii)⁴ of the Act and subparagraph (f)(2) of Rule 19b-4⁵ thereunder.

Item 8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or the Commission

Not applicable.

Item 9. Exhibits

Exhibit 1. Form of Notice of Proposed Rule Change for publication in the Federal Register.

⁴ 15 U.S.C. 78s(b)(3)(A)(ii).

⁵ 17 C.F.R. 240.19b-4(f)(2).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

(Release No. 34-_____ ; File No. SR-CBOE-2010-108)

**Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated:
Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to
CBOE's Marketing Fee Program.**

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), notice is hereby given that on _____, Chicago Board Options Exchange, Incorporated ("CBOE" or the "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by CBOE. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") proposes to amend its Fees Schedule and specifically make certain changes to its Marketing Fee Program. The text of the proposed rule change is available on the Exchange's website (<http://www.cboe.org/legal>), at the Exchange's Office of the Secretary and at the Commission.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, CBOE included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places

specified in Item IV below. CBOE has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, Proposed Rule Change

(a) Purpose

CBOE proposes to amend its Marketing Fee Program in two respects. First, CBOE proposes to amend the types of transactions in which the fee is assessed in the SPY option class. Currently, the marketing fee is assessed on transactions as set forth in footnote 6 of the Fees Schedule.¹ In that regard, CBOE notes that it is assessed on both electronic and open outcry transactions. CBOE now proposes to not assess the marketing fee on electronic transactions in SPY options, except that it would continue to assess the marketing fee on electronic transactions resulting from its Automated Improvement Mechanism (“AIM”) pursuant to CBOE Rule 6.74A and transactions in open outcry. CBOE proposes to implement this change on a pilot basis starting on December 1, 2010 and continuing through March 31, 2011.

This proposed change is intended to attract more customer volume to the Exchange in this option class and to allow CBOE market-makers to better compete for order flow. CBOE notes that the SPY option class is unique in the manner in which it trades and is one of the most active option classes. CBOE also notes that DPMs and Preferred Market-Makes can utilize the marketing fee funds to attract orders from payment accepting firms that are

¹ In particular, the marketing fee is assessed only on transactions of Market-Makers, e-DPMs, and DPMs, resulting from (i) customer orders from payment accepting firms, or (ii) customer orders that have designated a “Preferred Market-Maker” under CBOE Rule 8.13. However, as described in footnote 6, the marketing fee does not apply to: Market-Maker-to-Market-Maker transactions including transactions resulting from orders from non-Trading Permit Holder market-makers; transactions resulting from accommodation liquidations (cabinet trades); and transactions resulting from any of the strategies identified and/or defined in footnote 13 of this Fees Schedule; and transactions in the Penny Pilot classes resulting from orders executed through the Hybrid Agency Liaison under Rule 6.14.

executed in AIM and in open outcry, Finally, CBOE believes that the marketing fee funds received by payment accepting firms may be used to offset transaction and other costs related to the execution of an order in AIM and in open outcry, including in the SPY option class. For these reasons, CBOE believes that it would make sense to continue to assess the marketing fee in transactions resulting from AIM and in open outcry in the SPY option class, and would assist in attracting customer volume to the Exchange.

In addition, CBOE proposes to amend its Marketing Fee Program to not assess the fee in transactions in Flexible Exchange Options ("FLEX"), which CBOE believes may encourage Market-Makers to transact in FLEX options. CBOE proposes to implement this change to the marketing fee program beginning on December 1, 2010. CBOE is not amending its Marketing Fee Program in any other respects.

(b) Statutory Basis

The Exchange believes the proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 ("Act")², in general, and furthers the objectives of Section 6(b)(4)³ of the Act in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities in that it is intended to attract more customer volume on the Exchange in the SPY option class and also to encourage Market-Makers to transact in FLEX options.

B. Self-Regulatory Organization's Statement on Burden on Competition

CBOE does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of purposes of the Act.

² 15 U.S.C. 78f(b).

³ 15 U.S.C. 78f(b)(4).

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act⁴ and subparagraph (f)(2) of Rule 19b-4⁵ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-CBOE-2010-108 on the subject line.

⁴ 15 U.S.C. 78s(b)(3)(A).

⁵ 17 C.F.R. 240.19b-4(f)(2).

Paper comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.

All submissions should refer to File Number SR-CBOE-2010-108. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of CBOE. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CBOE-2010-108 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶

Florence E. Harmon

Deputy Secretary

⁶ 17 CFR 200.30-3(a)(12).