

OMB APPROVAL

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

File No.* SR - 2019 - * 090

Amendment No. (req. for Amendments *)

Filing by Cboe Exchange, Inc.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) *

☐

Section 806(e)(2) *

☐

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2) *

☐

Exhibit 2 Sent As Paper Document



Exhibit 3 Sent As Paper Document



Description

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

The Exchange proposes to move the Rules in Chapter V of the currently effective Rulebook, which governs securities dealt in on the Exchange, to proposed Section A of Chapter 4 of the shell structure for the Exchange's Rulebook that will become effective upon migration.

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 action.

First Name * Rebecca Last Name * Tenuta
 Title * Counsel
 E-mail * rtenuta@cboe.com
 Telephone * (312) 786-7068 Fax

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.

(Title *)

Date 10/03/2019

By Rebecca Tenuta

(Name *)

Counsel

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.

rtenuta@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 *

Add Remove View

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 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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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, security-based swap submission, or advance notice 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

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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

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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

Add Remove View

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.

Item 1. Text of the Proposed Rule Change

(a) Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) proposes to move the Rules in Chapter V of the currently effective Rulebook (“current Rulebook”), which governs securities dealt in on the Exchange, to proposed Section A of Chapter 4 of the shell structure for the Exchange’s Rulebook that will become effective upon the migration of the Exchange’s trading platform to the same system used by the Cboe Affiliated Exchanges (as defined below) (“shell Rulebook”). The text of the proposed rule change is provided in Exhibit 5.

(b) Not applicable.

(c) Not applicable.

Item 2. Procedures of the Self-Regulatory Organization

(a) The Exchange’s President (or designee) pursuant to delegated authority approved the proposed rule change on October 1, 2019. The proposed rule change would become operative on the date on which Cboe Options completes the migration of its trading platform to the same system used by the Cboe Affiliated Exchanges (as defined below), which is expected to occur on October 7, 2019.

(b) Please refer questions and comments on the proposed rule change to Pat Sexton, Executive Vice President, General Counsel, and Corporate Secretary, (312) 786-7467, or Rebecca Tenuta, (312) 786-7068, Cboe Exchange, Inc., 400 South LaSalle, Chicago, Illinois 60605.

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

(a) Purpose

In 2016, the Exchange’s parent company, Cboe Global Markets, Inc. (formerly named CBOE Holdings, Inc.) (“Cboe Global”), which is also the parent company of Cboe C2 Exchange, Inc. (“C2”), acquired Cboe EDGA Exchange, Inc. (“EDGA”), Cboe EDGX Exchange, Inc. (“EDGX” or “EDGX Options”), Cboe BZX Exchange, Inc. (“BZX” or “BZX Options”), and Cboe BYX Exchange, Inc. (“BYX” and, together with Cboe Options, C2, EDGX, EDGA, and BZX, the “Cboe Affiliated Exchanges”). The Cboe Affiliated Exchanges are working to align certain system functionality, retaining only intended differences, between the Cboe Affiliated Exchanges, in the context of a technology migration. Cboe Options intends to migrate its trading platform to the same system used by the Cboe Affiliated Exchanges, which the Exchange expects to complete on October 7, 2019. In connection with this technology migration, the Exchange has a shell Rulebook that resides alongside its current Rulebook, which shell Rulebook will contain the Rules that will be in place upon completion of the Cboe Options technology migration.

The Exchange proposes to relocate the rules in Chapter V, which govern securities dealt in on the Exchange, to proposed Section A of Chapter 4 in the shell Rulebook. The Exchange notes that in addition to relocating the rules under current Chapter V to proposed Section A of Chapter 4 in the shell Rulebook, the proposed rule change deletes the rules from the current Rulebook. The proposed rule change relocates the rules as follows:

Current Rule	Proposed Rule
4.1 Designation of Underlying Securities	5.1 Designation of Securities

4.2 Rights and Obligations of Holders and Writers	5.2 Rights and Obligations of Holders and Writers
4.3 Criteria for Underlying Securities	5.3 Criteria for Underlying Securities
4.4 Withdrawal of Approval of Underlying Securities	5.4 Withdrawal of Approval of Underlying Securities
4.5 Series of Option Contracts Open for Trading	5.5 Series of Option Contracts Open for Trading
4.5(f) (<i>Long-Term Equity Option Series (LEAPS)</i>)	5.8 Long-Term Equity Option Series (LEAPS)
4.6 Adjustments	5.7 Adjustments
4.7 Select Provisions of Options Listing Procedures Plan	5.5A Select Provisions of Options Listing Procedures Plan
4.8 Single Stock Dividend Options	5.9. Single Stock Dividend Options

The proposed changes are of a non-substantive nature and will not amend the relocated rules other than to update their rule numbers, conform paragraph structure and number/lettering format to that of the shell Rulebook, and make cross-reference changes to shell rules. The Exchange notes that the proposed change updates the heading to proposed Rule 4.1 (current Rule 5.1) from “Designation of Securities” to “Designation of Underlying Securities” which more accurately aligns with the other rules under current Chapter V (proposed Section A of Chapter 4); i.e. the heading to proposed Rule 4.3 (current Rule 5.3) is “Criteria for Underlying Securities” and to proposed Rule 4.4 (current Rule 5.4) is “Withdrawal of Approval of Underlying Securities”. Finally, the proposed rule change removes Rule 5.5.11 and .12 which cover strike intervals for BXM option series and for Cboe S&P 500 Realized Volatility option series, respectively, on which the Exchange is authorized to list options, but on which the Exchange does not currently, and does not intend, to list

options.¹ Because there are currently no options listed on any of these indexes, the proposed rule change has no impact on trading on the Exchange.

(b) Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.² Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)³ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁴ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

As stated, the proposed rule change makes no substantive changes to the rules. The proposed rule change is merely intended to relocate the Exchange’s rules to the shell

¹ The Exchange is simultaneously submitting a similar rule filing regarding current Chapter XXIV (proposed shell Section B of Chapter 4), governing index options, which proposes to remove the same references under current Chapter XXIV.

² 15 U.S.C. 78f(b).

³ 15 U.S.C. 78f(b)(5).

⁴ Id.

Rulebook and update their numbers, paragraph structure, including number and lettering format, and cross-references, as well as delete references to indexes on which the Exchange does not list (and does not intend to list) options,⁵ to conform to the shell Rulebook as a whole in anticipation of the technology migration on October 7, 2019. As such, the proposed rule change is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by improving the way the Exchange's Rulebook is organized, making it easier to read, and, particularly, helping market participants better understand the rules of the Exchange, which will also result in less burdensome and more efficient regulatory compliance.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not intended as a competitive change, but rather, seeks to make non-substantive rule changes in relocating the rules and updating cross-references, as well as references to certain indexes, to shell rules in anticipation of the October 7, 2019 technology migration. The Exchange also does not believe that the proposed rule change will impose any undue burden on competition because the relocated rule text is exactly the same as the Exchange's current rules, all of which have all been previously filed with the Commission.

⁵ See supra note 1. The deletion of these indexes will conform to the other proposed Sections under Chapter 4, and thus, the shell Rulebook as a whole.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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) or Section 19(b)(7)(D)

(a) The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A) of Act⁶ and Rule 19b-4(f)(6)⁷ thereunder.

(b) The Exchange designates that the proposed rule change effects a change that (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. Additionally, the Exchange has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

The proposed rule change will not significantly affect the protection of investors and the public interest because it does not make any substantive changes to the Exchange Rules, but merely relocates the rules regarding securities dealt in on the Exchange to the shell Rulebook and updates update their numbers, paragraph structure, including number

⁶ 15 U.S.C. 78s(b)(3)(A).

⁷ 17 CFR 240.19b-4(f)(6).

and lettering format, and cross-references, as well as deletes references to indexes on which the Exchange does not list (and does not intend to list) options,⁸ to conform to the shell Rulebook as a whole upon the October 7, 2019 technology migration. The proposed non-substantive changes will make the Exchange Rules easier to read and understand for all investors, benefiting investors and the public interest by resulting in less burdensome and more efficient regulatory compliance upon migration. The proposed rule change will not impose any significant burden on competition because it is merely relocating the current Exchange Rules, all of which have been previously filed with the Commission, and makes no substantive changes to the current rules. As stated, the proposed rule change is not intended as a competitive filing but is instead intended to provide an organized and uniform shell Rulebook to the benefit of all market participants upon migration.

For the foregoing reasons, this rule filing qualifies as a “non-controversial” rule change under Rule 19b-4(f)(6), which renders the proposed rule change effective upon filing with the Commission. At any time within 60 days of the filing of this proposed rule change, the Commission summarily may temporarily suspend 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. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

The Exchange respectfully requests that the Commission waive the five-day pre-filing requirement and the 30-day operative delay period after which a proposed rule change under Rule 19b-4(f)(6) becomes effective so that the Exchange can restructure its

⁸ See supra note 5.

Rulebook as already approved by the Commission. As described above, the proposed rule change merely relocates current into Section A of Chapter 4 of the shell Rulebook, which will be effective upon migration on October 7, 2019. The proposed rule change makes no substantive changes to any of the rules, thus, the proposed rule changes will have no impact on trading on the Exchange, the operation of the Exchange, or any participant requirements. The Exchange also notes that its participants have been notified of and preparing for the October 7, 2019 migration, and resulting Rulebook restructuring, since April 5, 2018.⁹ Finally, the Exchange notes that other Exchanges have relocated their rules in a similar manner.¹⁰ The Exchange believes that relocating the rules regarding securities dealt in on the Exchange, which currently remain in Chapter V of the current Rulebook, to proposed Section A of Chapter 4 of the shell Rulebook, as well as updating their numbers, paragraph structure, including number and lettering format, and cross-references, and deleting references to indexes on which the Exchange does not list (and does not intend to list) options,¹¹ to conform to the shell Rulebook will provide investors with a holistic Exchange Rulebook upon migration. Therefore, the Exchange respectfully requests that the

⁹ See Cboe Global Markets News Release (April 5, 2018), available at <http://ir.cboe.com/~media/Files/C/CBOE-IR-V2/press-release/2018/pr-04-05-2018.pdf>; see also Securities Exchange Act Release No. 84739 (December 6, 2018), 83 FR 63952 (December 12, 2018) (SR-CBOE-2018-074) (which rule filing adopted the shell Rulebook and indicated that rules would be relocated in connection with the migration).

¹⁰ See, e.g., Securities and Exchange Act Release Nos. 82505 (January 16, 2018), 83 FR 3037 (January 22, 2018) (Nasdaq PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Relocate Price Improvement XL Rule) (SR-Phlx-2018-06); and 84659 (November 27, 2018), 83 FR 62391 (Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Relocate the Exchange's Options Exercise and Delivery Rules) (SR-BX-2018-056).

¹¹ See *supra* note 5.

Commission waive the five-day pre-filing requirement and the 30-day operative delay so that the proposed rule change promptly becomes effective October 7, 2019 and avoids any potential confusion by providing investors with a complete Exchange Rulebook upon the completion of migration.

(c) Not applicable.

(d) Not applicable.

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

The proposed rule change is not based on a rule either of another self-regulatory organization of the Commission.

Item 9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

Item 10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

Item 11. Exhibits

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

Exhibit 5A. Proposed rule text – current Rulebook.

Exhibit 5B. Proposed rule text – shell Rulebook.

EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34- ; File No. SR-CBOE-2019-090]

[Insert date]

Self-Regulatory Organizations; Cboe Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Move the Rules in Chapter V of the Currently Effective Rulebook (“Current Rulebook”), which Governs Securities Dealt in on the Exchange, to Proposed Section A of Chapter 4 of the Shell Structure for the Exchange’s Rulebook that will Become Effective Upon the Migration of the Exchange’s Trading Platform to the Same System Used by the Cboe Affiliated Exchanges (as Defined Below) (“Shell Rulebook”)

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on [insert date], Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6) thereunder.⁴ 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

Cboe Exchange, Inc. (the “Exchange” or “Cboe Options”) proposes to move the Rules in Chapter V of the currently effective Rulebook (“current Rulebook”), which governs securities dealt in on the Exchange, to proposed Section A of Chapter 4 of the

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(iii).

⁴ 17 CFR 240.19b-4(f)(6).

shell structure for the Exchange's Rulebook that will become effective upon the migration of the Exchange's trading platform to the same system used by the Cboe Affiliated Exchanges (as defined below) ("shell Rulebook"). The text of the proposed rule change is provided in Exhibit 5.

The text of the proposed rule change is also available on the Exchange's website (<http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx>), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the Exchange 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. The Exchange 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, the Proposed Rule Change

1. Purpose

In 2016, the Exchange's parent company, Cboe Global Markets, Inc. (formerly named CBOE Holdings, Inc.) ("Cboe Global"), which is also the parent company of Cboe C2 Exchange, Inc. ("C2"), acquired Cboe EDGA Exchange, Inc. ("EDGA"), Cboe EDGX Exchange, Inc. ("EDGX" or "EDGX Options"), Cboe BZX Exchange, Inc. ("BZX" or "BZX Options"), and Cboe BYX Exchange, Inc. ("BYX" and, together with Cboe Options, C2, EDGX, EDGA, and BZX, the "Cboe Affiliated Exchanges"). The Cboe Affiliated Exchanges are working to align certain system functionality, retaining only intended

differences, between the Cboe Affiliated Exchanges, in the context of a technology migration. Cboe Options intends to migrate its trading platform to the same system used by the Cboe Affiliated Exchanges, which the Exchange expects to complete on October 7, 2019. In connection with this technology migration, the Exchange has a shell Rulebook that resides alongside its current Rulebook, which shell Rulebook will contain the Rules that will be in place upon completion of the Cboe Options technology migration.

The Exchange proposes to relocate the rules in Chapter V, which govern securities dealt in on the Exchange, to proposed Section A of Chapter 4 in the shell Rulebook. The Exchange notes that in addition to relocating the rules under current Chapter V to proposed Section A of Chapter 4 in the shell Rulebook, the proposed rule change deletes the rules from the current Rulebook. The proposed rule change relocates the rules as follows:

Current Rule	Proposed Rule
4.1 Designation of Underlying Securities	5.1 Designation of Securities
4.2 Rights and Obligations of Holders and Writers	5.2 Rights and Obligations of Holders and Writers
4.3 Criteria for Underlying Securities	5.3 Criteria for Underlying Securities
4.4 Withdrawal of Approval of Underlying Securities	5.4 Withdrawal of Approval of Underlying Securities
4.5 Series of Option Contracts Open for Trading	5.5 Series of Option Contracts Open for Trading
4.5(f) (<i>Long-Term Equity Option Series (LEAPS)</i>)	5.8 Long-Term Equity Option Series (LEAPS)
4.6 Adjustments	5.7 Adjustments
4.7 Select Provisions of Options Listing Procedures Plan	5.5A Select Provisions of Options Listing Procedures Plan
4.8 Single Stock Dividend Options	5.9. Single Stock Dividend Options

The proposed changes are of a non-substantive nature and will not amend the relocated rules other than to update their rule numbers, conform paragraph structure and number/lettering format to that of the shell Rulebook, and make cross-reference changes to shell rules. The Exchange notes that the proposed change updates the heading to proposed Rule 4.1 (current Rule 5.1) from “Designation of Securities” to “Designation of Underlying Securities” which more accurately aligns with the other rules under current Chapter V (proposed Section A of Chapter 4); i.e. the heading to proposed Rule 4.3 (current Rule 5.3) is “Criteria for Underlying Securities” and to proposed Rule 4.4 (current Rule 5.4) is “Withdrawal of Approval of Underlying Securities”. Finally, the proposed rule change removes Rule 5.5.11 and .12 which cover strike intervals for BXM option series and for Cboe S&P 500 Realized Volatility option series, respectively, on which the Exchange is authorized to list options, but on which the Exchange does not currently, and does not intend, to list options.⁵ Because there are currently no options listed on any of these indexes, the proposed rule change has no impact on trading on the Exchange.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁶ Specifically, the Exchange believes the proposed rule change is consistent with the

⁵ The Exchange is simultaneously submitting a similar rule filing regarding current Chapter XXIV (proposed shell Section B of Chapter 4), governing index options, which proposes to remove the same references under current Chapter XXIV.

⁶ 15 U.S.C. 78f(b).

Section 6(b)(5)⁷ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁸ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

As stated, the proposed rule change makes no substantive changes to the rules. The proposed rule change is merely intended to relocate the Exchange's rules to the shell Rulebook and update their numbers, paragraph structure, including number and lettering format, and cross-references, as well as delete references to indexes on which the Exchange does not list (and does not intend to list) options,⁹ to conform to the shell Rulebook as a whole in anticipation of the technology migration on October 7, 2019. As such, the proposed rule change is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by improving the way the Exchange's Rulebook is organized, making it easier to read,

⁷ 15 U.S.C. 78f(b)(5).

⁸ Id.

⁹ See supra note 5. The deletion of these indexes will conform to the other proposed Sections under Chapter 4, and thus, the shell Rulebook as a whole.

and, particularly, helping market participants better understand the rules of the Exchange, which will also result in less burdensome and more efficient regulatory compliance.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not intended as a competitive change, but rather, seeks to make non-substantive rule changes in relocating the rules and updating cross-references, as well as references to certain indexes, to shell rules in anticipation of the October 7, 2019 technology migration. The Exchange also does not believe that the proposed rule change will impose any undue burden on competition because the relocated rule text is exactly the same as the Exchange's current rules, all of which have all been previously filed with the Commission.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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

Because the foregoing proposed rule change does not:

- A. significantly affect the protection of investors or the public interest;
- B. impose any significant burden on competition; and
- C. become operative for 30 days from the date on which it was filed, or such

shorter time as the Commission may designate, it has become effective pursuant to

Section 19(b)(3)(A) of the Act¹⁰ and Rule 19b-4(f)(6)¹¹ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend 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. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

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-2019-090 on the subject line.

Paper comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-CBOE-2019-090. This file number should be included on the subject line if e-mail is used. To help the Commission process

¹⁰ 15 U.S.C. 78s(b)(3)(A).

¹¹ 17 CFR 240.19b-4(f)(6).

and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<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 website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, D.C. 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. 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-2019-090 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.¹²

Secretary

¹² 17 CFR 200.30-3(a)(12).

EXHIBIT 5A

(additions are underlined; deletions are [bracketed])

* * * * *

Rules of Cboe Exchange, Inc.
(currently effective)

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[CHAPTER V. SECURITIES DEALT IN

Rule 5.1. Designation of Securities

Securities dealt in on the Exchange are option contracts, each of which is designated by reference to the issuer of the underlying security, expiration month or expiration date, exercise price and type (put or call).

Rule 5.2. Rights and Obligations of Holders and Writers

The rights and obligations of holders and writers shall be as set forth in the Rules of the Clearing Corporation.

Rule 5.3. Criteria for Underlying Securities

(a) Underlying securities in respect of which put or call option contracts are approved for listing and trading on the Exchange must meet the following criteria:

- (1) the security must be duly registered and be an NMS stock; and
- (2) the security shall be characterized by a substantial number of outstanding shares which are widely held and actively traded.

(b) In addition, the Exchange shall from time to time establish guidelines to be considered by the Exchange in evaluating potential underlying securities for Exchange option transactions. There are, however, many relevant factors which must be considered in arriving at such a determination. The fact that a particular security may meet the guidelines established by the Exchange does not necessarily mean that it will be approved as an underlying security. Further, in exceptional circumstances an underlying security may be approved by the Exchange even though it does not meet all of the guidelines. The Exchange may also give consideration to maintaining diversity among various industries and issuers in selecting underlying securities.

... Interpretations and Policies:

.01 The Board of Directors has established guidelines to be considered by the Exchange in evaluating potential underlying securities for Exchange option transactions. Absent exceptional circumstances with respect to Paragraphs (a)(1) or (2), or (b)(1) or (2) listed below, at the time the

Exchange selects an underlying security for Exchange option transactions, the following guidelines with respect to the issuer shall be met.

(a) Guidelines applicable to the issuer of the security are:

- (1) There are a minimum of 7,000,000 shares of the underlying security which are owned by persons other than those required to report their stock holdings under Section 16(a) of the Exchange Act.
- (2) There are a minimum of 2,000 holders of the underlying security.
- (3) The issuer is in compliance with any applicable requirements of the Exchange Act.

(b) Guidelines applicable to the market for the security are:

- (1) Trading volume (in all markets in which the underlying security is traded) has been at least 2,400,000 shares in the preceding twelve months.

(2)

(A) If the underlying security is a “covered security” as defined under Section 18(b)(1)(A) of the Securities Act of 1933, the market price per share of the underlying security has been at least \$3.00 for the previous three consecutive business days preceding the date on which the Exchange submits a certificate to the OCC for listing and trading. For purposes of this Interpretation .01(b)(2)(A), the market price of such underlying security is measured by the closing price reported in the primary market in which the underlying security is traded.

(B) If the underlying security is not a “covered security”, the market price per share of the underlying security has been at least \$7.50 for the majority of business days during the three calendar months preceding the date of selection, as measured by the lowest closing price reported in any market in which the underlying security traded on each of the subject days.

(c) Notwithstanding the requirements set forth in Paragraphs (a)(1), (a)(2), (b)(1), and (b)(2) listed above, the Exchange may list and trade an options contract if (1) the underlying security meets the guidelines for continued listing in Rule 5.4, and (2) options on such underlying security are listed and traded on at least one other registered national securities exchange.

.02 In considering underlying securities, the Exchange shall ordinarily rely on information made publicly available by the issuer and/or the markets in which the security is traded.

.03 The word “security” shall be broadly interpreted to mean any equity security, as defined in Rule 3a11-1, promulgated under the Securities Exchange Act of 1934, which is appropriate for option trading. The word “shares” shall mean the unit of trading of such security. Securities deemed appropriate for options trading shall include non-convertible preferred stock issues and American Depositary Receipts (“ADRs”) if they meet the criteria and guidelines set forth in Rule 5.3 and the Interpretations thereunder and if, in the case of ADRs: (i) the Exchange has in place an effective

surveillance agreement with the primary exchange in the home country where the security underlying the ADR is traded; (ii) the combined trading volume of the ADR and other related ADRs and securities (as defined below) occurring in the U.S. ADR market or in markets with which the Exchange has in place an effective surveillance sharing agreement represents (on a share equivalent basis) at least 50% of the combined worldwide trading volume in the ADR, the security underlying the ADR, other classes of common stock related to the underlying security, and ADRs overlying such other stock (together, “other related ADRs and securities”) over the three month period preceding the date of selection of the ADR for options trading; (iii) (a) the combined trading volume of the ADR and other related ADRs and securities occurring in the U.S. ADR market and in markets where the Exchange has in place an effective surveillance agreement, represents (on a share equivalent basis) at least 20% of the combined worldwide trading volume in the ADR and in other related ADRs and securities over the three month period preceding the date of selection of the ADR for options trading, (b) the average daily trading volume for the security in the U.S. markets over the three months preceding the selection of the ADR for options trading is 100,000 or more shares, and (c) the trading volume is at least 60,000 shares per day in U.S. markets on a majority of the trading days for the three months preceding the date of selection of the ADR for options trading (“Daily Trading Volume Standard”) or (iv) the Securities and Exchange Commission otherwise authorizes the listing.

.04 Securities deemed appropriate for options trading shall include shares issued by registered closed-end management investment companies that invest in the securities of issuers based in one or more foreign countries (“International Funds”) if they meet the criteria and guidelines set forth in Rule 5.3 and the Interpretations thereunder and either: (i) the Exchange has a market information sharing agreement with the primary home exchange for each of the securities held by the fund, or (ii) the International Fund is classified as a diversified fund as that term is defined by section 5(b) of the Investment Company Act of 1940 and the securities held by the fund are issued by issuers based in five or more countries. A “market information sharing agreement” for purposes of this Rule is an agreement that would permit the Exchange to obtain trading information relating to the securities held by the fund including the identity of the member of the foreign exchange executing a trade. International Fund shares not meeting criteria (i) or (ii) shall be deemed appropriate for options trading if the Commission specifically authorizes the listing.

.05

(a) In determining whether an equity security (the “Restructure Security”) issued or anticipated to be issued in a spin-off, reorganization, recapitalization, restructuring or similar corporate transaction (a “Restructuring Transaction”) satisfies the guidelines set forth in paragraphs (b)(1) and (b)(2) of Interpretation and Policy .01 above, the Exchange may rely on the trading volume and market price history of the related equity security in respect of which the Restructure Security was or is to be issued (the “Original Security”) determined prior to the ex-date for the Restructuring Transaction, but only if (i) both the trading volume and the market price history of the Original Security are used for this purpose for any trading days when either is so used, (ii) once the Exchange commences to rely on the trading volume and market price history of the Restructure Security for any trading day, the Exchange may not rely on the trading volume and market price history of the Original Security for any trading day thereafter, and (iii) at least one of the following conditions is met:

(1) At least one of (A) the aggregate market value of the Restructure Security, (B) the aggregate book value of the assets attributed to the business represented by the Restructure Security, or (C) the revenues attributed to the business represented by the Restructure Security is no less than the Relevant Percentage of the same measure determined with respect to the Original Security or the business represented by the Original Security, as applicable, calculated in a comparable manner, provided that in the case of the qualification of a Restructure Security under clause (B), the aggregate book value of the assets attributed to the business represented by the Restructure Security is not less than \$50 million, and in the case of the qualification of a Restructure Security under clause (C), the revenues attributed to the business represented by the Restructure Security are not less than \$50 million. For purposes of the foregoing sentence, the Relevant Percentage is 25% when the applicable measure determined with respect to the Original Security or the business it represents reflects the inclusion of the business represented by the Restructure Security, and the Relevant Percentage is 33 1/3% when the applicable measure determined with respect to the Original Security or the business it represents reflects the exclusion of the business represented by the Restructure Security.

(2) The aggregate market value represented by the Restructure Security is at least five hundred million dollars (\$500,000,000).

For purposes of the foregoing, (i) the aggregate market value represented by the Restructure Security may be determined from “when issued” prices, if available; (ii) comparative aggregate market value calculations shall be based upon share prices that are either all closing prices in the primary market on the last business day preceding the selection date of the Restructure Security as an underlying security, or are all opening prices in the primary market on the selection date of the Restructure Security as an underlying security; and (iii) comparative asset values and revenues shall be derived from the later of the most recent annual or most recently available comparable interim (not less than three months) financial statements of each of the respective issuers, which may be audited or unaudited, and pro forma.

(b) Option contracts may not initially be listed for trading in respect of a Restructure Security until such time as shares of the Restructure Security are issued and outstanding and are the subject of trading that is not on a “when issued” basis or in any other way contingent on the issuance or distribution of the shares.

(c) In certifying a Restructure Security for options trading, the Exchange may determine that the requirements of paragraphs (a)(1) and (a)(2) of Interpretation and Policy .01 above are satisfied based on the facts and circumstances that will exist on the intended date for listing the option rather than at the time the Restructure Security is so selected. In the case of a transaction within the scope of this Interpretation and Policy .05 in which shares of a Restructure Security are issued or distributed to the holders of shares of an Original Security, this determination may either be based on the public ownership and number of shareholders of the Original Security, or the Exchange may assume that one or both of these requirements will be satisfied if either of the following conditions is met on the date the Restructure Security is selected for options trading: (i) the Restructure Security will be listed on an exchange or automatic quotation system subject to initial listing requirements in respect of public ownership of shares or number of shareholders or both that are no less stringent than the requirements assumed to be satisfied, or (ii) at least 40,000,000 shares of the

Restructure Security will be issued and outstanding on the intended date for listing the option, unless in the case of (i) or (ii) above the Exchange, after reasonable investigation, has determined that such requirements will in fact not be satisfied on that date. Any determination by the Exchange that such requirements will be satisfied based on an assumption made pursuant to this paragraph is subject to the right of any objecting exchange to demonstrate that such requirements will in fact not be satisfied.

(d) In the case of a Restructuring Transaction that satisfies either or both of the conditions of subparagraphs (a)(1) or (a)(2) above in which shares of a Restructure Security are sold in a public offering or pursuant to a rights distribution:

(i) the Exchange may assume the satisfaction of one or both of the requirements of paragraphs (a)(1) and (a)(2) of Interpretation and Policy .01 above on the date the Restructure Security is selected for options trading only if (A) the applicable conditions set forth in clause (i) of paragraph (c) above are met with respect to whichever of these requirements is assumed to be satisfied, or (B) the condition set forth in clause (ii) of paragraph (c) above is met, in either case subject to the limitations stated in said paragraph (c);

(ii) the Exchange may certify that the market price of the Restructure Security satisfies the requirement of paragraph (b)(2) of Interpretation and Policy .01 above by relying on the market price history of the Original Security prior to the ex-date for the Restructuring Transaction in the manner described in paragraph (a) above, but only if the Restructure Security has traded “regular way” on an exchange or automatic quotation system for at least five trading days immediately preceding the date of selection, and at the close of trading on each trading day preceding the date of selection, as well as at the opening of trading on the date of selection the market price of the Restructure Security was at least \$7.50, or, if the Restructure Security is a Covered Security, as defined in paragraph (b)(2) of Interpretation and Policy .01 above, the market price of the Restructure Security was at least \$3.00.

(iii) the Exchange may certify that the trading volume of the Restructure Security satisfies the requirement of paragraph (b)(1) of Interpretation and Policy .01 above only if the trading volume in the Restructure Security has been at least 2,400,000 shares during a period of twelve months or less ending on the date the Restructure Security is selected for options trading.

.06

(A) Securities deemed appropriate for options trading include Units that:

(B)

(i) represent interests in registered investment companies (or series thereof) organized as open-end management investment companies, unit investment trusts or similar entities that hold portfolios of securities and/or financial instruments including, but not limited to, stock index futures contracts, options on futures, options on securities and indexes, equity caps, collars and floors, swap agreements, forward contracts, repurchase agreements and reverse

purchase agreements (the “Financial Instruments”), and money market instruments, including, but not limited to, U.S. government securities and repurchase agreements (the “Money Market Instruments”) comprising or otherwise based on or representing investments in indexes or portfolios of securities and/or Financial Instruments and Money Market Instruments (or that hold securities in one or more other registered investment companies that themselves hold such portfolios of securities and/or Financial Instruments and Money Market Instruments); or

(ii) represent interests in a trust or similar entity that holds a specified non-U.S. currency deposited with the trust or similar entity when aggregated in some specified minimum number may be surrendered to the trust by the beneficial owner to receive the specified non-U.S. currency and pays the beneficial owner interest and other distributions on deposited non-U.S. currency, if any, declared and paid by the trust (“Currency Trust Shares”); or

(iii) represent commodity pool interests principally engaged, directly or indirectly, in holding and/or managing portfolios or baskets of securities, commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or non-U.S. currency (“Commodity Pool Units”), or

(iv) represent interests in the SPDR Gold Trust or the iShares COMEX Gold Trust or the iShares Silver Trust or the ETFS Silver Trust or the ETFS Gold Trust or the ETFS Palladium Trust or the ETFS Platinum Trust or the Sprott Physical Gold Trust; or

(v) represents an interest in a registered investment company (“Investment Company”) organized as an open-end management investment company or similar entity, that invests in a portfolio of securities selected by the Investment Company’s investment adviser consistent with the Investment Company’s investment objectives and policies, which is issued in a specified aggregate minimum number in return for a deposit of a specified portfolio of securities and/or a cash amount with a value equal to the next determined net asset value (“NAV”), and when aggregated in the same specified minimum number, may be redeemed at a holder’s request, which holder will be paid a specified portfolio of securities and/or cash with a value equal to the next determined NAV (“Managed Fund Share”).

(C) The Units must either:

(i) meet the criteria and guidelines set forth in Rule 5.3 and Interpretation and Policy .01 thereunder, or

(ii) be available for creation or redemption each business day from or through the issuing trust, investment company, commodity pools or other issuer in cash or in kind at a price related to net asset value, and the issuing trust, investment company, commodity pools or other issuer is obligated to issue Units in a specified aggregate number even if some or all of the investment assets and/or cash required to be deposited have not been received by the, the issuing trust, investment company, commodity pools or other issuer, subject to the condition that the person obligated to deposit the investment assets has undertaken to deliver the investment assets and/or cash as soon as possible and such undertaking is secured by the

delivery and maintenance of collateral consisting of cash or cash equivalents satisfactory to the issuer of Units which underlie the option as described in the Units' prospectus.

(D) The Units must also meet the following criteria:

(i) are listed pursuant to generic listing standards for series of portfolio depositary receipts and index fund shares based on international or global indexes under which a comprehensive surveillance agreement is not required; or

(ii)

(a) any non-U.S. component securities of an index or portfolio of securities on which the Units are based that are not subject to comprehensive surveillance agreements do not in the aggregate represent more than 50% of the weight of the index or portfolio;

(b) component securities of an index or portfolio of securities on which the Units are based for which the primary market is in any one country that is not subject to a comprehensive surveillance agreement do not represent 20% or more of the weight of the index;

(c) component securities of an index or portfolio of securities on which the Units are based for which the primary market is in any two countries that are not subject to comprehensive surveillance agreements do not represent 33% or more of the weight of the index;

(d) for Currency Trust Shares, the Exchange has entered into a comprehensive surveillance sharing agreement with the marketplace or marketplaces with last sale reporting that represent(s) the highest volume in derivatives (options or futures) on the specified non-U.S. currency, which are utilized by the national securities exchange where the underlying Currency Trust Shares are listed and traded; and

(e) for Commodity Pool Units, the Exchange has entered into a comprehensive surveillance sharing agreement with the marketplace or marketplaces with last sale reporting that represent(s) the highest volume in such commodity futures contracts and/or options on commodity futures contracts on the specified commodities or non-U.S. currency, which are utilized by the national securities exchange where the underlying Commodity Pool Units are listed and traded.

.07 Securities deemed appropriate for options trading include Trust Issued Receipts, provided:

(a)

(i) the Trust Issued Receipts meet the criteria and guidelines for underlying securities set forth in Interpretation and Policy .01 to this Rule 5.3; or

(ii) the Trust Issued Receipts must be available for issuance or cancellation each business day from the Trust in exchange for the underlying deposited securities; and

(b) not more than 20% of the weight of the Trust Issued Receipt is represented by ADRs on securities for which the primary market is not subject to a comprehensive surveillance agreement.

.08 A Trading Permit Holder may submit to the Secretary of the Exchange a written request that the Exchange list a particular option class whether or not the option class is traded on any other exchange or market. The request shall specify the reasons why the Trading Permit Holder believes the Exchange should list the option class. The Exchange shall make every reasonable effort to consider and make a decision regarding the request and in any event shall consider and make a decision regarding the request within 35 days of its receipt. If the Exchange denies the request or approves the request subject to conditions or limitations, the Exchange shall provide the Trading Permit Holder that submitted the request with a written response setting forth the rationale for its decision within 10 days of making the decision. If, in denying a request or approving a request subject to conditions or limitations, the Exchange relies upon a factor of other bona fide business considerations, the Exchange shall, in addition to providing the Trading Permit Holder with a written response specifying that the Exchange has relied upon other bona fide business considerations, maintain a record of the bona fide business considerations supporting its decision. In the event the Exchange determines to list an option class requested to be listed pursuant to this paragraph, the allocation of the option class shall be governed by Rule 8.95.

.09 In deciding whether or not to list an option class, or to place any conditions or limitations on such listing, the Exchange will consider one or more of the following factors: (i) whether the proposed option class satisfies applicable listing criteria; (ii) processing capacity; (iii) cost to the Exchange of listing the option class; (iv) legal or regulatory impediments to listing the option class; (v) the anticipated level of Exchange contract volume and market share in the option class; (vi) Trading Permit Holder and customer interest in trading the option class; (vii) operational factors; and (viii) other bona fide business considerations. These criteria shall apply to all option classes considered by the Exchange for listing, whether based on a Trading Permit Holder request or otherwise.

.10 (i) The term “Partnership Units” means a security (a) that is issued by a partnership that invests in any combination of futures contracts, options on futures contracts, forward contracts, commodities (as defined in Section 1(a)(4) of the Commodity Exchange Act) and/or securities; and (b) that is issued and redeemed daily in specified aggregate amounts at net asset value.

.11 Securities deemed appropriate for options trading shall include a Credit Option for which the Reference Entity, as defined under Rule 29.1, satisfies all of the following criteria:

(a) The Reference Entity or the Reference Entity’s parent, if the Reference Entity is a wholly-owned subsidiary, has at least one class of securities that is duly registered and is an NMS stock.

(b) The equity securities issued by the Reference Entity pursuant to paragraph (a) above satisfy the requirements for options trading on the Exchange pursuant to Rule 5.4.

.12 Securities deemed appropriate for initial listing shall include a Corporate Debt Security, as defined under Rule 28.1, that satisfies all of the following criteria:

- (a) The original public sale of a Corporate Debt Security shall be at least a \$250,000,000 principal amount.
- (b) Trading volume (in all markets in which the underlying Corporate Debt Security is traded) has been at least \$100,000,000 in notional value over the preceding six months.
- (c) There is a minimum aggregate par value or “float” of \$200,000,000 of the Corporate Debt Security outstanding.
- (d) There is a minimum number of 320 holders of the Corporate Debt Security.
- (e) The issuer of the Corporate Debt Security or the issuer’s parent, if the issuer is a wholly- owned subsidiary, has at least one class of common or preferred equity securities registered under Section 12(b) of the Securities Exchange Act of 1934.
- (f) The equity securities issued by the issuer of the Corporate Debt Security are “covered securities” as defined under Section 18(b)(1)(A) of the Securities Act of 1933.
- (g) The equity securities issued by the issuer of the Corporate Debt Security satisfy the requirements for options trading on the Exchange pursuant to Exchange Rule 5.4.
- (h) The Corporate Debt Security on which options transactions will be effected on the Exchange has a credit rating issued by Moody’s Investors Service that is Caa or higher and a credit rating issued by Standard and Poor’s that is CC or higher.
- (i) The issuer of the Corporate Debt Security has registered the offer and sale of such securities under the Securities Act of 1933.
- (j) The transfer agent of the Corporate Debt Security is registered under Section 17A of the Securities Exchange Act of 1934.
- (k) The trust indenture for the Corporate Debt Security is qualified under the Trust Indenture Act of 1939.

.13 Index-Linked Securities

(1) Securities deemed appropriate for options trading shall include shares or other securities (“Equity Index-Linked Securities,” “Commodity-Linked Securities,” “Currency-Linked Securities,” “Fixed Income Index-Linked Securities,” “Futures-Linked Securities,” and “Multifactor Index-Linked Securities,” collectively known as “Index-Linked Securities” or ETNs) that are principally traded on a national securities exchange and an NMS Stock, and represent ownership of a security that provides for the payment at maturity, as described below:

- (A) Equity Index-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of an underlying index or indexes of equity securities (“Equity Reference Asset”);

(B) Commodity-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of one or more physical commodities or commodity futures, options on commodities, or other commodity derivatives or Commodity-Based Trust Shares or a basket or index of any of the foregoing (“Commodity Reference Asset”);

(C) Currency-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of one or more currencies, or options on currencies or currency futures or other currency derivatives or Currency Trust Shares (as defined in Interpretation and Policy .06 to this Rule 5.3), or a basket or index of any of the foregoing (“Currency Reference Asset”);

(D) Fixed Income Index-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of one or more notes, bonds, debentures or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities (“Treasury Securities”), government-sponsored entity securities (“GSE Securities”), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or a subdivision thereof or a basket or index of any of the foregoing (“Fixed Income Reference Asset”);

(E) Futures-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of an index or indexes of futures contracts or options or derivatives on futures contracts (“Futures Reference Asset”); and

(F) Multifactor Index-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of any combination of two or more Equity Reference Assets, Commodity Reference Assets, Currency Reference Assets, Fixed Income Reference Assets, or Futures Reference Assets (“Multifactor Reference Asset”).

(2) For purposes of Interpretation and Policy .13 to this Rule 5.3, Equity Reference Assets, Commodity Reference Asset, Currency Reference Assets, Fixed Income Reference Assets, Futures Reference Assets together with Multifactor Reference Assets, collectively will be referred to as “Reference Assets.”

(3)

(A) The Index-Linked Securities must meet the criteria and guidelines for underlying securities set forth in Interpretation and Policy .01 to this Rule 5.3.; or

(B) the Index-Linked securities must be redeemable at the option of the holder at least on a weekly basis through the issuer at a price related to the applicable underlying Reference Asset. In addition, the issuing company is obligated to issue or repurchase the securities in aggregation units for cash, or cash equivalents, satisfactory to the issuer of Index-Linked Securities which underlie the option as described in the Index-Linked Securities prospectus.

(4) The Exchange will implement surveillance procedures for options on Index-Linked Securities, including adequate comprehensive surveillance sharing agreements with markets trading in non-U.S. components, as applicable.

Rule 5.4. Withdrawal of Approval of Underlying Securities

Whenever the Exchange determines that an underlying security previously approved for Exchange option transactions does not meet the then current requirements for continuance of such approval or for any other reason should no longer be approved, the Exchange will not open for trading any additional series of options of the class covering that underlying security and therefore two Floor Officials, in consultation with a designated senior executive officer of the Exchange, may prohibit any opening purchase or sale transactions in series of options of that class previously opened (except that (i) opening transactions by Market-Makers executed to accommodate closing transactions of other market participants and (ii) opening transactions by TPH organizations to facilitate the closing transactions of public customers executed as crosses pursuant to and in accordance with Cboe Options Rule 6.74(b) or (d) may be permitted), to the extent it deems such action necessary or appropriate; provided, however, that where exceptional circumstances have caused an underlying security not to comply with the Exchange's current approval maintenance requirements, regarding number of publicly held shares or publicly held principal amount, number of shareholders, trading volume or market price the Exchange, in the interest of maintaining a fair and orderly market or for the protection of investors, may determine to continue to open additional series of option contracts of the class covering that underlying security. When all option contracts in respect of any underlying security that is no longer approved have expired, the Exchange may make application to the Commission to strike from trading and listing all such option contracts.

... Interpretations and Policies:

.01 The Exchange has established guidelines to be considered when determining whether an underlying security previously approved for Exchange option transactions no longer meets its requirements for the continuance of such approval. Absent exceptional circumstances, with respect to Paragraphs (a), (b), or (c) listed below, an underlying security will not be deemed to meet the Exchange's requirements for continued approval whenever any of the following occur:

- (a) There are fewer than 6,300,000 shares of the underlying security held by persons other than those who are required to report their security holdings under Section 16(a) of the Exchange Act.
- (b) There are fewer than 1,600 holders of the underlying security.
- (c) The trading volume (in all markets in which the underlying security is traded) was less than 1,800,000 shares in the preceding twelve months.
- (d) Reserved.
- (e) Reserved.
- (f) The underlying security ceases to be an NMS stock.

(g) If an underlying security is approved for options listing and trading under the provisions of Interpretation and Policy .05 of Rule 5.3, the trading volume of the Original Security (as therein defined) prior to but not after the commencement of trading in the Restructure Security (as therein defined), including “when-issued” trading, may be taken into account in determining whether the trading volume requirement of paragraph (c) of this Interpretation and Policy .01 are satisfied, provided, however, that in the case of a Restructure Security approved for options listing and trading under paragraph (d) of Interpretation and Policy .05 of Rule 5.3, such trading volume requirements must be satisfied based on the trading volume history of the Restructure Security.

.02 Reserved

.03 In considering whether any of the events specified in Interpretation and Policy .01 have occurred with respect to an underlying security, the Exchange shall ordinarily rely on information made publicly available by the issuer and/or the markets in which such security is traded.

.04 [Reserved]

.05 If prior to the delisting of a class of option contracts covering an underlying security which has been found not to meet the Exchange’s requirements for continued approval, the Exchange shall determine that the underlying security again meets the Exchange’s requirements for such underlying security, the Exchange may open for trading additional series of options of that class and two Floor Officials, in consultation with a designated senior executive officer of the Exchange, may lift any restriction on opening purchase or sale transactions imposed under this Rule.

.06 Whenever the Exchange shall announce that approval of an underlying security has been withdrawn for any reason or that the Exchange has been informed that the issuer of an underlying security has ceased to be in compliance with SEC reporting requirements, each Trading Permit Holder and TPH organization shall, prior to effecting any transaction in option contracts in respect of such underlying security for a customer, inform such customer of such fact and of the fact that the Exchange may prohibit further transactions in such option contracts to the extent it shall deem such action necessary and appropriate.

.07 If an ADR was initially deemed appropriate for options trading on the grounds that 50% or more of the worldwide trading volume (on a share-equivalent basis) in the ADR and other related ADRs and securities takes place in U.S. markets or in markets with which the Exchange has in place an effective surveillance sharing agreement, or if an ADR was initially deemed appropriate for options trading based on the Daily Trading Volume Standard described in Interpretation .03 to Rule 5.3, the Exchange may not open for trading additional series of options on that ADR unless

(A) the percentage of worldwide trading volume in the ADR and other related securities that takes place in the U.S. and in markets with which the Exchange has in place surveillance sharing agreements for any consecutive three month period is either

(i) at least 30% without regard to the average daily trading volume in the ADR, or

(ii) (at least 15% when the average U.S. daily trading volume in the ADR for the previous three months is at least 70,000 shares, or

(B) the Exchange then has in place an effective surveillance agreement with the primary exchange in the home country where the security underlying the ADR is traded or

(C) the Securities and Exchange Commission has otherwise authorized the listing.

.08 Units that represent interests in registered investment companies (or series thereof) organized as open-end management investment companies, unit investment trusts or similar entities that were initially approved for options trading pursuant to Interpretation and Policy .06 under Rule 5.3 shall be deemed not to meet the Exchange's requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the class covering such Units, if the Units cease to be an NMS stock as provided in paragraph (f) of Interpretation and Policy .01 of this Rule 5.4 or the Units are halted from trading in their primary market. In addition, two Floor Officials, in consultation with a designated senior executive officer of the Exchange, shall consider the suspension of opening transactions in any series of options of the class covering Units in any of the following circumstances:

(a) In the case of options covering Units approved for trading under Rule 5.3 and Interpretation and Policy .06(B)(i) thereunder, in accordance with the terms of paragraphs (a), (b), (c) and (d) of Interpretation and Policy .01 of this Rule 5.4; or

(b) In the case of options covering Units approved for trading under Rule 5.3 and Interpretation and Policy .06(B)(ii) thereunder, following the initial twelve-month period beginning upon the commencement of trading in the Units on a national securities exchange and are defined as an NMS stock, there are fewer than 50 record and/or beneficial holders of such Units for 30 or more consecutive trading days; or

(c) The value of the index or portfolio of securities, non-U.S. currency, or portfolio of commodities including commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or Financial Instruments and Money Market Instruments on which the Units are based is no longer calculated or available; or

(d) Such other event shall occur or condition exist that in the opinion of the Exchange makes further dealing in such options on the Exchange inadvisable.

.09 Absent exceptional circumstances, Trust Issued Receipts shall not be deemed to meet the Exchange's requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the class covering such Trust Issued Receipts, whenever the Trust Issued Receipts are delisted and trading in the Receipts is suspended on a national securities exchange, or the Trust Issued Receipts are no longer traded as national market securities through the facilities of a national securities association. In addition, two Floor Officials, in consultation with a designated senior executive officer of the Exchange, shall consider the suspension of opening transactions in any series of options of the class covering Trust Issued Receipts in any of the following circumstances:

(1) In accordance with the terms of paragraphs (a) through (g) of Interpretation and Policy .01 of this Rule 5.4 in the case of options covering Trust Issued Receipts when such options were approved pursuant to paragraph (a)(i) of Interpretation and Policy .07 under Rule 5.3;

- (2) The Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Trust Issued Receipts for 30 or more consecutive trading days;
- (3) The trust has fewer than 50,000 receipts issued and outstanding;
- (4) The market value of all receipts issued and outstanding is less than \$1,000,000; or
- (5) Such other event shall occur or condition exist that in the opinion of the Exchange makes further dealing in such options on the Exchange inadvisable.

.10 For HOLDing Company Depositary ReceiptS (HOLDERS), the Exchange will not open additional series of options overlying HOLDERS (without prior Commission approval) if: (1) the proportion of securities underlying standardized equity options to all securities held in a HOLDERS trust is less than 80% (as measured by their relative weightings in the HOLDERS trust); or (2) less than 80% of the total number of securities held in a HOLDERS trust underlie standardized equity options.

.11 In determining whether any of the events specified in Interpretation and Policy .01(a) or (b) of this Rule have occurred, the Exchange will monitor on a daily basis news sources for information of corporate actions, including stock splits, mergers and acquisitions, distribution of special cash dividends, recapitalizations, and stock buy backs. If a corporate action indicates that an underlying security no longer meets the Exchange's requirements for continued approval under Interpretation .01 (a) or (b) of this Rule, the Exchange will not open additional series of option contracts of the class covering the underlying security. If, however, information of a corporate action does not indicate that any of the events specified in Interpretation .01(a) or (b) have occurred, the Exchange shall consider the events specified in Interpretation .01(a) and (b) to have been satisfied.

.12

(a) When there is no open interest in a series the Exchange may delist such series. Delisting shall be preceded by a notice to TPH organizations concerning the delisting.

(b) If an option series is listed but restricted to closing transactions on another national securities exchange, the Exchange may list such series (even if such series would not otherwise be eligible for listing under the Exchange's Rules), which shall also be restricted to closing transactions on the Exchange.

.13 If an option class is open for trading on another national securities exchange, the Exchange may delist such option class immediately. If an option class is open for trading solely on the Exchange, the Exchange may determine to not open for trading any additional series in that option class; may restrict series with open interest to closing transactions, provided that, opening transactions by Market-Makers executed to accommodate closing transactions of other market participants and opening transactions by TPH organizations to facilitate the closing transactions of public customers executed as crosses pursuant to and in accordance with Rule 6.74(b) or (d) may be permitted; and may delist the option class when all series within that class have expired. In all instances, delisting shall be preceded by a notice to TPH organizations concerning the delisting.

.14 A Corporate Debt Security, as defined in Rule 28.1, that was initially approved for options trading pursuant to Interpretation and Policy .12 under Rule 5.3 shall be deemed not to meet the Exchange's requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the class covering such Corporate Debt Security and therefore the Exchange may prohibit any opening purchase or sale transactions in series of options of that class previously opened as provided in Rule 5.4 above at any time the Exchange determines on the basis of information made publicly available that the following circumstances may have occurred:

- (a) Trading volume (in all markets in which the Corporate Debt Security is traded) is less than \$75,000,000 in notional value over the preceding six months.
- (b) Any of the requirements set forth in subparagraphs (c) - (k) of Exchange Rule 5.3.10 are not satisfied.

.15 A Reference Entity, as defined in Rule 29.1, for which options trading pursuant to Interpretation and Policy .11 under Rule 5.3 was initially approved, shall be deemed not to meet the Exchange's requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the Credit Option class based on that Reference Entity and therefore the Exchange may prohibit any opening purchase or sale transactions in series of options of that class previously opened as provided in Rule 5.4 above at any time the Exchange determines on the basis of information made publicly available that any of the requirements set forth in subparagraphs (a) - (b) of Interpretation and Policy .11 under Exchange Rule 5.3 are not satisfied.

.16 Absent exceptional circumstances, Index-Linked Securities ("Securities") initially approved for options trading pursuant to Interpretation and Policy .13 to Rule 5.3 shall not be deemed to meet the Exchange's requirements for continued approval, and the Exchange shall not open for trading any additional series or option contracts of the class covering such Securities whenever the underlying Securities are delisted and trading in the Securities is suspended on a national securities exchange, or the Securities are no longer an NMS Stock. In addition, the Exchange shall consider the suspension of opening transactions in any series of options of the class covering Index-Linked Securities in any of the following circumstances:

- (1) The underlying Index-Linked Security fails to comply with the terms of Interpretation and Policy .13 to Rule 5.3;
- (2) In accordance with the terms of Interpretation and Policy .01 to this Rule 5.4, in the case of options covering Index-Linked Securities when such options were approved pursuant to Interpretation and Policy .13 to Rule 5.3, except that, in the case of options covering Index-Linked Securities approved pursuant to Interpretation and Policy .13(3)(B) to Rule 5.3 that are redeemable at the option of the holder at least on a weekly basis, then option contracts of the class covering such Securities may only continue to be open for trading as long as the Securities are listed on a national securities exchange and are NMS stocks;
- (3) In the case of any Index-Linked Security trading pursuant to Interpretation and Policy .13 to Rule 5.3, the value of the Reference Asset is no longer calculated; or

(4) Such other event shall occur or condition exist that in the opinion of the Exchange make further dealing in such options on the Exchange inadvisable.

Rule 5.5. Series of Option Contracts Open for Trading

(a) After a particular class of options (call option contracts or put option contracts relating to a specific underlying security or calculated index) has been approved for listing and trading on the Exchange, the Exchange from time to time may open for trading series of options on that class. Only options contracts of series currently open for trading may be purchased or written on the Exchange. Prior to the opening of trading in a given series, the Exchange will fix the expiration month, year and exercise price of that series. Exercise price setting parameters are part of the OLPP as reflected in Rule 5.5A. For Short Term Option Series, the Exchange will fix a specific expiration date and exercise price, as provided in paragraph (d). For Quarterly Options Series the Exchange will fix a specific expiration date and exercise price, as provided in paragraph (e). For Delayed Start Option Series, the Exchange will fix a specific expiration date and exercise price as provided under Rule 24.9(d).

(b) Except for Short Term Option Series, Quarterly Options Series, and Delayed Start Option Series, at the commencement of trading on the Exchange of a particular class of options, the Exchange shall open a minimum of one expiration month and series for each class of options open for trading on the Exchange. The exercise price of each series will be fixed at a price per share which is reasonably close to the price per share at which the underlying stock is traded in the primary market at about the time that class of options is first opened for trading on the Exchange. Paragraph (d) will govern the procedures for opening Short Term Options Series. Paragraph (e) will govern the procedures for opening Quarterly Options Series. Rule 24.9(d) will govern the procedures for setting the exercise price for Delayed Start Option Series.

(c) Additional series of options of the same class may be opened for trading on the Exchange when the Exchange deems it necessary to maintain an orderly market, to meet customer demand or when the market price of the underlying stock moves more than five strike prices from the initial exercise price or prices. The opening of a new series of options on the Exchange will not affect any other series of options of the same class previously opened.

(d) Short Term Option Series Program. After an option class has been approved for listing and trading on the Exchange, the Exchange may open for trading on any Thursday or Friday that is a business day ("Short Term Option Opening Date") series of options on that class that expire at the close of business on each of the next five Fridays that are business days and are not Fridays on which monthly options series or Quarterly Options Series expire ("Short Term Option Expiration Dates"). The Exchange may have no more than a total of five Short Term Option Expiration Dates. Monday and Wednesday SPY Expirations (described in the paragraph below) are not included as part of this count. If the Exchange is not open for business on the respective Thursday or Friday, the Short Term Option Opening Date will be the first business day immediately prior to that respective Thursday or Friday. Similarly, if the Exchange is not open for business on a Friday, the Short Term Option Expiration Date will be the first business day immediately prior to that Friday.

Monday and Wednesday SPY Expirations. The Exchange may open for trading on any Friday or Monday that is a business day ("Monday SPY Expiration Opening Date") series of options on the

SPDR S&P 500 ETF Trust (“SPY”) that expire at the close of business each of the next five Mondays that are business days and are no Mondays on which Quarterly Options Series expire (“Monday SPY Expirations”), provided that any Monday SPY Expiration Opening Date that is a Friday is one business week and one business day prior to expiration. The Exchange may also open for trading on any Tuesday or Wednesday that is a business day (“Wednesday SPY Expiration Opening Date”) series of SPY options that expire at the close of business on each of the next five Wednesdays that are business days and are not Wednesdays on which Quarterly Options Series expire (“Wednesday SPY Expirations”). The Exchange may have no more than a total of five Monday SPY Expirations and no more than a total of five Wednesday SPY Expirations. Non-Monday and non-Wednesday SPY Expirations (described in the paragraph above) are not included as part of this count. If the Exchange is not open for business on the respective Friday or Monday, the Monday SPY Expiration Opening Date will be the first business day immediately prior to that respective Friday or Monday. If the Exchange is not open for business on a Monday, the expiration date for a Monday SPY Expiration will be the first business day immediately following that Monday. If the Exchange is not open for business on the respective Tuesday or Wednesday, the Wednesday SPY Expiration Opening Date will be the first business day immediately prior to that respective Tuesday or Wednesday. Similarly, if the Exchange is not open for business on a Wednesday, the expiration date for a Wednesday SPY Expiration will be the first business day immediately prior to that Wednesday.

References to “Short Term Option Series” below shall be read to include “Monday and Wednesday SPY Expirations,” except where indicated otherwise.

Regarding Short Term Option Series:

- (1) Classes. The Exchange may select up to fifty currently listed option classes on which Short Term Option Series may be opened on any Short Term Option Opening Date. In addition to the fifty-option class restriction, the Exchange also may list Short Term Option Series on any option classes that are selected by other securities exchanges that employ a similar program under their respective rules. For each option class eligible for participation in the Short Term Option Series Program, the Exchange may open up to 30 Short Term Option Series for each expiration date in that class. The Exchange may also open Short Term Option Series that are opened by other securities exchanges in option classes selected by such exchanges under their respective short term option rules.
- (2) Expiration. No Short Term Option Series (excluding Monday and Wednesday SPY Expirations) may expire in the same week in which monthly option series on the same class expire and, in the case of Quarterly Options Series, no Short Term Option Series may expire on an expiration that coincides with an expiration of Quarterly Option Series on the same class.
- (3) Initial Series. The Exchange may open up to 20 initial series for each option class that participates in the Short Term Option Series Program. The strike price of each Short Term Option Series will be fixed at a price per share, with approximately the same number of strike prices being opened above and below the value of the underlying security at about the time that the Short Term Option Series are initially opened for trading on the Exchange (e.g., if seven series are initially opened, there will be at least three strike prices above and

three strike prices below the value of the underlying security). Any strike prices listed by the Exchange shall be reasonably close to the price of the underlying equity security (which underlying security price shall be determined in accordance with the OLPP as reflected in Rule 5.5A) and within the following parameters: (i) if the price of the underlying is less than or equal to \$20, strike prices shall be not more than one hundred percent (100%) above or below the price of the underlying security; and (ii) if the price of the underlying security is greater than \$20, strike prices shall be not more than fifty percent (50%) above or below the price of the underlying security.

(4) Additional Series. The Exchange may open up to 10 additional series for each option class that participates in the Short Term Option Series Program when the Exchange deems it necessary to maintain an orderly market, to meet customer demand or when the market price of the underlying security moves substantially from the exercise price or prices of the series already opened. Any additional strike prices listed by the Exchange shall be reasonably close to the price of the underlying equity security (which underlying security price shall be determined in accordance with the OLPP as reflected in Rule 5.5A) and within the following parameters: (i) if the price of the underlying is less than or equal to \$20, additional strike prices shall be not more than one hundred percent (100%) above or below the price of the underlying security; and (ii) if the price of the underlying security is greater than \$20, additional strike prices shall be not more than fifty percent (50%) above or below the price of the underlying security. The Exchange may also open additional strike prices of Short Term Option Series that are more than 50% above or below the current price of the underlying security (if the price is greater than \$20); provided that demonstrated customer interest exists for such series, as expressed by institutional, corporate or individual customers or their brokers. Market-Makers trading for their own account shall not be considered when determining customer interest under this provision. In the event that the underlying security has moved such that there are no series that are at least 10% above or below the current price of the underlying security and all existing series have open interest, the Exchange may list additional series, in excess of the thirty series per class limit set forth in Rule 5.5(d)(1), that are between 10% and 30% above or below the price of the underlying security. The opening of the new Short Term Option Series shall not affect the series of options of the same class previously opened. Notwithstanding any other provisions in this Rule 5.5, Short Term Option Series may be added up to and including on the Short Term Option Expiration Date for that options series.

(5) Strike Interval. The interval between strike prices on Short Term Option Series may be:

- (i) \$0.50 or greater where the strike price is less than \$100, and \$1 or greater where the strike price is between \$100 and \$150 for all classes that participate in the Short Term Option Series Program;
- (ii) \$0.50 or greater for classes that trade in one dollar increments in non-Short Term Options and that participate in the Short Term Option Series Program; or
- (iii) \$2.50 or greater where the strike price is above \$150. A non-Short Term Option that is on a class that has been selected to participate in the Short Term Option Series Program is referred to as a "Related non-Short Term Option."

(6) Delisting. In the event that the underlying security has moved such that there are no series that are at least 10% above or below the current price of the underlying security, the Exchange will delist any series with no open interest in both the call and the put series having a: (i) strike higher than the highest price with open interest in the put and/or call series for a given expiration week; and (ii) strike lower than the lowest strike price with open interest in the put and/or the call series for a given expiration week.

Related non-Short Term Option series shall be opened during the month prior to expiration in the same manner as permitted in Rule 5.5(d) and in the same strike price intervals that are permitted in this Rule 5.5(d)(5).

(e) Quarterly Option Series Program. The Exchange may list and trade options series that expire at the close of business on the last business day of a calendar quarter ("Quarterly Options Series").

(1) Classes. The Exchange may list Quarterly Options Series for up to five (5) currently listed options classes that are either index options or options on ETFs. In addition, the Exchange may also list Quarterly Options Series on any options classes that are selected by other securities exchanges that employ a similar program under their respective rules.

(2) Expiration. The Exchange may list series that expire at the end of the next consecutive four (4) calendar quarters, as well as the fourth quarter of the next calendar year. For example, if the Exchange is trading Quarterly Options Series in the month of May 2009, it may list series that expire at the end of the second, third, and fourth quarters of 2009, as well as the first and fourth quarters of 2010. Following the second quarter 2009 expiration, the Exchange could add series that expire at the end of the second quarter of 2010.

(3) Settlement. Quarterly Options Series will be P.M. settled.

(4) Initial Series. The strike price for each Quarterly Options Series will be fixed at a price per share, with at least two strike prices above and two strike prices below the approximate value of the underlying security at about the time that a Quarterly Options Series is opened for trading on the Exchange. The Exchange shall list strike prices for a Quarterly Options Series that are within \$5 from the closing price of the underlying on the preceding day.

(5) Additional Series. Additional Quarterly Options Series of the same class may be open for trading on the Exchange when the Exchange deems it necessary to maintain an orderly market, to meet customer demand or when the market price of the underlying security moves substantially from the initial exercise price or prices. To the extent that any additional strike prices are listed by the Exchange, such additional strike prices shall be within thirty percent (30%) above or below the closing price of the underlying ETF on the preceding day. The Exchange may also open additional strike prices of Quarterly Option Series in ETF options that are more than 30% above or below the current price of the underlying ETF provided that demonstrated customer interest exists for such series, as expressed by institutional, corporate or individual customers or their brokers. Market-Makers trading for their own account shall not be considered when determining customer interest under this provision. The opening of the new Quarterly Options Series shall not affect the series of options of the same class previously opened.

(6) **Strike Interval.** The interval between strike prices on Quarterly Options Series shall be the same as the interval for strike prices for series in that same options class that expire in accordance with the normal monthly expiration cycle.

(7) **Delisting Policy.**

(A) With respect to Quarterly Options Series in ETF options added pursuant to the above paragraphs, the Exchange will, on a monthly basis, review series that are outside a range of five (5) strikes above and five (5) strikes below the current price of the underlying ETF, and delist series with no open interest in both the put and the call series having a: (i) strike higher than the highest strike price with open interest in the put and/or call series for a given expiration month; and (ii) strike lower than the lowest strike price with open interest in the put and/or call series for a given expiration month.

(B) Notwithstanding the above referenced delisting policy, customer requests to add strikes and/or maintain strikes in Quarterly Options Series in ETF options in series eligible for delisting shall be granted.

(C) In connection with the above referenced delisting policy, if the Exchange identifies series for delisting, the Exchange shall notify other options exchanges with similar delisting policies regarding eligible series for delisting, and shall work with such other exchanges to develop a uniform list of series to be delisted, so as to ensure uniform series delisting of multiply listed Quarterly Options Series in ETF options.

(8) **Additional ETF Series.** During the last quarter of 2008 (and for the new expiration month being added after December Quarterly Option Series expiration), the Exchange may list up to one hundred (100) additional series per expiration month for each Quarterly Options Series in ETF options.

... Interpretations and Policies:

.01 The interval between strike prices of series of options on individual stocks may be:

a. The \$1 Strike Price Interval Program.

(1) **Program Description.** \$1.00 or greater strike price intervals where the strike price is \$50.00 or less, but not less than \$1. Except as provided in subparagraph 3 below, the listing of \$1 strike price intervals shall be limited to options classes overlying no more than 150 individual stocks as specifically designated by the Exchange. The Exchange may list \$1 strike price intervals on any other option classes if those classes are specifically designated by other securities exchanges that employ a similar \$1 Strike Price Interval Program under their respective rules. If a class participates in the \$1 Strike Price Interval Program, \$2.50 strike price intervals are not permitted between \$1 and \$50 for non-LEAPS and LEAPs.

(2) Initial and Additional Series. To be eligible for inclusion into the \$1 Strike Price Interval Program, an underlying stock must close below \$50 in its primary market on the previous trading day. After a stock is added to the \$1 Strike Price Interval Program, the Exchange may list \$1 strike price intervals from \$1 to \$50 according to the following parameters:

(i) If the price of the underlying stock is equal to or less than \$20, the Exchange may list series with an exercise price up to 100% above and 100% below the price of the underlying stock. However, the foregoing restriction shall not prohibit the listing of at least five (5) strike prices above and below the price of the underlying stock per expiration month in an option class. For example, if the price of the underlying stock is \$2, the Exchange would be permitted to list the following series: \$1, \$2, \$3, \$4, \$5, \$6 and \$7.

(ii) (If the price of the underlying stock is greater than \$20, the Exchange may list series with an exercise price up to 50% above and 50% below the price of the underlying security up to \$50.

(iii) For the purpose of adding strikes under the \$1 Strike Price Interval Program, the “price of the underlying stock” shall be measured in the same way as “the price of the underlying security” is as set forth in the OLPP as reflected in Rule 5.5A.

(iv) No additional series in \$1 strike price intervals may be listed if the underlying stock closes at or above \$50 in its primary market. Additional series in \$1 strike price intervals may not be added until the underlying stock closes again below \$50.

(v) LEAPS. For stocks in the \$1 Strike Price Interval Program, the Exchange may list one \$1 strike price interval between each standard \$5 strike interval, with the \$1 strike price interval being \$2 above the standard strike for each interval above the price of the underlying stock, and \$2 below the standard strike for each interval below the price of the underlying stock (“\$2 wings”). For example, if the price of the underlying stock is \$24.50, the Exchange may list the following standard strikes in \$5 intervals: \$15, \$20, \$25, \$30 and \$35. Between these standard \$5 strikes, the Exchange may list the following \$2 wings: \$18, \$27 and \$32.

In addition, the Exchange may list the \$1 strike price interval which is \$2 above the standard strike just below the underlying price at the time of listing. In the above example, since the standard strike just below the underlying price (\$24.50) is \$20, the Exchange may list a \$22 strike. The Exchange may add additional long-term options series strikes as the price of the underlying stock moves, consistent with the OLPP.

Additional long-term option strikes may not be listed within \$1 of an existing strike until less than nine months to expiration.

(3) The Exchange may list \$1 strike prices up to \$5 in LEAPS in up to 200 option classes on individual stocks. The Exchange may not list \$1 strike price intervals within \$0.50 of an existing \$2.50 strike in the same expiration.

(4) Delisting Policy. For options classes selected to participate in the \$1 Strike Price Interval Program, the Exchange will on a monthly basis review series that were originally listed under the \$1 Strike Price Interval Program with strike prices that are more than \$5 from the current value of an options class and delist those series with no open interest in both the put and the call series having a: (i) strike higher than the highest strike price with open interest in the put and/or call series for a given expiration month; and (ii) strike lower than the lowest strike price with open interest in the put and/or call series for a given expiration month.

If the Exchange identifies series for delisting pursuant to this policy, the Exchange shall notify the other options exchanges with similar delisting policies regarding the eligible series for delisting, and shall work jointly with such other exchanges to develop a uniform list of series to be delisted so as to ensure uniform series delisting of multiply listed options classes.

Notwithstanding the above delisting policy, the Exchange may grant member requests to add strikes and/or maintain strikes in series of options classes traded pursuant to this Program that are eligible for delisting.

A stock shall remain in the \$1 Strike Price Interval Program until otherwise designated by the Exchange.

(b) \$0.50 or greater beginning at \$0.50 where the strike price is \$5.50 or less, but only for options classes whose underlying security closed at or below \$5.00 in its primary market on the previous trading day and which have national average daily volume that equals or exceeds 1000 contracts per day as determined by OCC during the preceding three calendar months. The listing of \$0.50 strike prices shall be limited to options classes overlying no more than 20 individual stocks (the “\$0.50 Strike Program”) as specifically designated by the Exchange. The Exchange may list \$0.50 strike prices on any other option classes if those classes are specifically designated by other securities exchanges that employ a similar \$0.50 Strike Program under their respective rules. A stock shall remain in the \$0.50 Strike Program until otherwise designated by the Exchange.

(c) \$2.50 or greater where the strike price is \$25.00 or less; provided, however, that the Exchange may not list \$2.50 intervals (e.g., \$12.50, \$17.50) for any class included within the \$1 Strike Program if the addition of \$2.50 intervals would cause the class to have strike price intervals that are \$0.50 apart.

(d) \$5.00 or greater where the strike price is greater than \$25.00.

(e) \$10.00 or greater where the strike price is greater than \$200, except as provided in subparagraph (f) below.

(f) The Exchange may list series in intervals of \$5 or greater where the strike price is more than \$200 in up to five (5) option classes on individual stocks. The Exchange may list \$5 strike prices on any other option classes designated by other securities exchange that employ a \$5 Strike Program.

(g) Notwithstanding any other provision regarding strike prices in this rule, Related non-Short Term Option series shall be opened during the week prior to the week that such Related non- Short Term Option series expire in the same manner as permitted in Rule 5.5(d) and in the same strike price intervals that are permitted in Rule 5.5(d)(5).

.02 When put option contracts or put and call option contracts are first opened for trading on an underlying security, the Exchange may open a series of put options contracts corresponding to each series of call option contracts open or to be opened for trading on the same underlying security.

.03 Reserved.

.04 New series of options on an individual stock may be added until the beginning of the month in which the option contract will expire. Due to unusual market conditions, the Exchange, in its discretion, may add new series of options on an individual stock until the close of trading on the business day prior to expiration.

.05

(a) \$2.50 Strike Price Program. Pursuant to a program initially approved by the SEC in 1995, the Exchange may select up to 60 options classes on individual stocks for which the interval of strike prices will be \$2.50 where the strike price is greater than \$25 but less than \$50. In addition to those options selected by the Exchange, the strike price interval may be \$2.50 in any multiply-traded option once another exchange trading that option selects such option, as part of this program.

(b) In addition, on any option class that has been selected as part of the \$2.50 Strike Price Program pursuant to paragraph (a) above, the Exchange may list \$2.50 strike prices between \$50 and \$100, provided the \$2.50 strike prices between \$50 and \$100 are no more than \$10 from the closing price of the underlying stock in its primary market on the preceding day. For example, if an option class has been selected as part of \$2.50 Strike Price Program, and the underlying stock closes at \$48.50 in its primary market, the Exchange may list the \$52.50 strike price and the \$57.50 strike price on the next business day. If an underlying security closes at \$54, the Exchange may list the \$52.50 strike price, the \$57.50 strike price, and the \$62.50 strike price on the next business day.

(c) An option class shall remain in the \$2.50 Strike Price Program until otherwise designated by the Exchange and a decertification notice is sent to the Options Clearing Corporation.

.06 Notwithstanding Interpretation and Policy .01 above, the interval between strike prices may be \$0.50 or greater for options based on IPSs that correspond generally to the price and yield performance of 1/10th the value of the S&P 100 Index, and for options based on a security that represents an interest in a registered investment company that corresponds generally to the price and yield performance of 1/100th the value of the Dow Jones Industrial Average.

.07 Notwithstanding Interpretation and Policy .01 above, the interval between strike prices may be \$1.00 or greater for options based on a security that represents an interest in a registered investment company that corresponds generally to the price and yield performance of the Nasdaq-100 Index.

.08

(a) Notwithstanding Interpretation and Policy .01 above, and except for options on Units covered under Interpretation and Policies .06 and .07 above, the interval between strike prices of series of options on Units, as defined under Interpretation and Policy .06 to Rule 5.3, will be \$1 or greater where the strike price is \$200 or less and \$5.00 or greater where the strike price is greater than \$200. For options on Units that are used to calculate a volatility index, the Exchange may open for trading \$0.50 strike price intervals as provided for in Interpretation and Policy .19 to this Rule 5.5.

(b) Notwithstanding Interpretation and Policy .01 and Interpretation and Policy .08(a) above, the interval between strike prices of series of options on Units of the Standard & Poor's Depository Receipts Trust ("SPY"), iShares S&P 500 Index ETF ("IVV"), PowerShares QQQ Trust ("QQQ"), iShares Russell 2000 Index Fund ("IWM"), and The DIAMONDS Trust ("DIA") will be \$1 or greater.

.09 Notwithstanding Interpretation and Policy .01 above, the interval between strike prices of series of options on Index Linked Securities, as defined under Interpretation and Policy .13 to Rule 5.3, will be \$1 or greater where the strike price is \$200 or less and \$5 or greater where the strike price is greater than \$200.

.10 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices of Mini-SPX option series shall be determined in accordance with Interpretation and Policy .11 to Rule 24.9.

.11 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for BXM option series shall be determined in accordance with Interpretation and Policy .01(f) to Rule 24.9.

.12 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for Cboe S&P 500 Realized Volatility option series shall be determined in accordance with Interpretation and Policy .01(g) to Rule 24.9.

.13 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for S&P 500 Dividend Index option series shall be determined in accordance with Interpretation and Policy .01(h) to Rule 24.9.

.14 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for GVZ option series shall be determined in accordance with Interpretation and Policy .01(i) to Rule 24.9.

.15 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for Mini-NDX option series shall be determined in accordance with Interpretation and Policy .01(a) and (j) to Rule 24.9.

.16 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for Mini-RUT option series shall be determined in accordance with Interpretation and Policy .01(k) to Rule 24.9.

.17 Notwithstanding Interpretation and Policy .01 above, the interval between strike prices of series of options on Trust Issued Receipts, including HOLDing Company Depository Receipts

(HOLDERS), as defined under Interpretation and Policy .07 to Rule 5.3, will be \$1 or greater where the strike price is \$200 or less and \$5 or greater where the strike price is greater than \$200.

.18 Reserved.

.19 \$0.50 and \$1 Strike Price Intervals for Options Used to Calculate Volatility Indexes.

Notwithstanding Interpretation and Policy .01 above, the Exchange may open for trading series at \$0.50 or greater strike price intervals where the strike price is less than \$75 and \$1.00 or greater strike price intervals where the strike price is between \$75 and \$150 for options that are used to calculate a volatility index.

.20 Notwithstanding the requirements set forth in this Rule 5.5 and the Interpretations and Policies thereunder, the Exchange may list additional expiration months on options classes opened for trading on the Exchange if such expiration months are opened for trading on at least one other registered national securities exchange.

.21 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for Cboe S&P 500 AM/PM Basis option series shall be determined in accordance with Interpretation and Policy .01(e) to Rule 24.9.

.22 Mini Option Contracts

(a) After an option class on a stock, ETF, TIR, ETN, and other Index-Linked Security with a 100 share deliverable has been approved for listing and trading on the Exchange, series of option contracts with a 10 share deliverable on that stock, ETF share, TIR, ETN and other Index-Linked Security may be listed for all expirations opened for trading on the Exchange. Mini-option contracts may currently be listed on SPDR S&P 500 (SPY), Apple, Inc. (AAPL), SPDR Gold Trust (GLD), Alphabet, Inc. (GOOGL) and Amazon.com Inc. (AMZN).

(b) Strike prices for mini-options shall be set at the same level as for standard options. For example, a call series strike price to deliver 10 shares of stock at \$125 per share has a total deliverable value of \$1250, and the strike price will be set at 125.

(c) No additional series of mini-options may be added if the underlying security is trading at \$90 or less. The underlying security must trade above \$90 for five consecutive days prior to listing mini-option contracts in an additional expiration month.

(d) The minimum price variation for bids and offers for mini-options shall be the same as permitted for standard options on the same security. For example, if a security participates in the Penny Pilot Program, mini-options on the same underlying security may be quoted in the same minimum increments, e.g., \$0.01 for all quotations in series that are quoted at less than \$3 per contract and \$0.05 for all quotations in series that are quoted at \$3 per contract or greater, \$0.01 for all SPY option series, and mini-options do not separately need to qualify for the Penny Pilot Program.

.23 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for Cboe Short-Term Volatility Index (VXST) option series shall be determined in accordance with Interpretation and Policy .01(i) to Rule 24.9.

Rule 5.5A. Select Provisions of Options Listing Procedures Plan

(a) The select provisions set forth in this Rule 5.5A were adopted by the Exchange and the other Sponsor Exchanges as a quote mitigation strategy and are codified in the Options Listing Procedures Plan ("OLPP"). A complete copy of the current OLPP may be accessed at: <http://www.optionsclearing.com/clearing/industry-services/olpp.jsp>.

(b) The exercise price of each option series listed by the Exchange shall be fixed at a price per share which is reasonably close to the price of the underlying equity security, Exchange Traded Fund ("ETF" and referred to as a "Unit" in Rule 5.3) or Trust Issued Receipt ("TIR") at or about the time the Exchange determines to list such series. Additionally,

(i) Exercise Price Range Limitations - Except as provided in subparagraphs (ii) through (iv) below, if the price of the underlying security is less than or equal to \$20, the Exchange shall not list new option series with an exercise price more than 100% above or below the price of the underlying security. However, the foregoing restriction shall not prohibit the listing of at least three exercise prices per expiration month in an option class. Except as provided in Rule 5.5(d) (4), if the price of the underlying security is greater than \$20, the Exchange shall not list new option series with an exercise price more than 50% above or below the price of the underlying security.

The price of the underlying security is measured by:

(1) for intra-day add-on series and next-day series additions, the daily high and low of all prices reported by all national securities exchanges;

(2) for new expiration months, the daily high and low of all prices reported by all national securities exchanges on the day the Exchange determines its preliminary notification of new series;

(3) for option series to be added as a result of pre-market trading, the most recent share price reported by all national securities exchanges between 7:45 a.m. and 8:30 a.m. (Chicago time); and

(4) for option series to be added based on trading following regular trading hours, the most recent share price reported by all national securities exchanges between 3:15 p.m. and 5:00 p.m. (Chicago time).

(ii) The series exercise price range limitations contained in subparagraph (i) above do not apply with regard to: (1) the listing of \$1 strike prices in option classes participating in the \$1 Strike Program. Instead, the Exchange shall be permitted to list \$1 strike prices to the fullest extent as permitted under its rules for the \$1 Strike Program; or (2) the listing of series of Flexible Exchange Options.

(iii) The Exchange may designate up to five option classes to which the series exercise price range may be up to 100% above and below the price of the underlying security (which underlying security price shall be determined in accordance with subparagraph (i) above).

Such designations shall be made on an annual basis and shall not be removed during the calendar year unless the option class is delisted by the Exchange, in which case the Exchange may designate another option class to replace the delisted class. If a designated option class is delisted by the Exchange but continues to trade on at least one options exchange, the option class shall be subject to the limitations on listing new series set forth in subparagraph (i) above unless designated by another exchange.

(iv) If the Exchange has designated five option classes pursuant to subparagraph (iii) above, and requests that one or more additional option classes be excepted from the limitations on listing new series set forth in subparagraph (i) above, the additional option class(es) shall be so designated upon the unanimous consent of all exchanges that trade the option class(es). Additionally pursuant to the Exchange's request, the percentage range for the listing of new series may be increased to more than 100% above and below the price of the underlying security for an option class, by the unanimous consent of all exchanges that trade the designated option class.

Exceptions for an additional class or for an increase of the exercise price range shall apply to all standard expiration months existing at the time of the vote, plus the next standard expiration month to be added, and also to any non-standard expirations that occur prior to the next standard monthly expiration.

(v) The provisions of this subparagraph (b) shall not permit the listing of series that are otherwise prohibited by the rules of the Exchange or the OLPP. To the extent the rules of the Exchange permit the listing of new series that are otherwise prohibited by the provisions of the OLPP, the provisions of the OLPP shall govern.

(vi) The Exchange may list an options series that is listed by another options exchange, provided that at the time such series was listed it was not prohibited under the provisions of the OLPP or the rules of the exchange that initially listed the series.

Rule 5.6. Reserved

[Reserved]

Rule 5.7. Adjustments

Options contracts are subject to adjustments in accordance with the Rules of the Options Clearing Corporation.

Rule 5.8. Long-Term Equity Option Series (LEAPS)

(a) Notwithstanding conflicting language in Exchange Rule 5.5, the Exchange may list long-term equity option series (LEAPS) that expire from 12 to 180 months from the time they are listed. There may be up to ten additional expiration months for options on SPY and up to six additional expiration months for all other option classes.

(b) With regard to the listing of new January LEAPS series on equity option classes, options on ETFs, or options on TIRs, the Exchange shall not add new LEAP series on a currently listed and

traded option class earlier than the Monday prior to the September expiration (which is 28 months before the expiration).

Pursuant to the OLPP, exchanges that list and trade the same equity option class, ETF option class, or TIR option class are authorized to jointly determine and coordinate with the Clearing Corporation on the date of introduction of new LEAP series for that option class consistent with this paragraph (b).

(c) The Exchange shall not list new LEAP series on equity option classes, options on ETFs, or options on TIRs in a new expiration year if the national average daily contract volume, excluding LEAP and FLEX series, for that option class during the preceding three calendar months is less than 1,000 contracts, unless the new LEAP series has an expiration year that has already been listed on another exchange for that option class. The preceding volume threshold does not apply during the first six months an equity option class, option on an ETF, or option on a TIR is listed on any exchange.

Rule 5.9. Single Stock Dividend Options

(a) The Exchange may list single stock dividend options (SSDO) series that overlie the ordinary cash dividends paid by an issuer underlying a stock which is eligible for options trading on the Exchange. An SSDO will reflect ten (10) times the ordinary cash dividends paid by an issuer accumulated over a one-year period (accrual period). The accrual period runs from the business day after the third Friday of December through the third Friday of the following December. The Exchange may list an SSDO with an accrual period of less than a year (e.g., six months or one quarter), but in no event will an SSDO have an accrual period of less than a quarter of a year. For an SSDO with an accrual period of less than a year, the accrual period runs from the business day after the third Friday of the month beginning the accrual period through the third Friday of the month ending the accrual period.

(b) Exercise Style. SSDO options will have European-style exercise and be P.M.-settled. Writers of SSDOs are subject to assignment only at expiration. The last trading day of an SSDO will be the business day prior to Expiration of the specific SSDO series.

(c) Strike Price Intervals. The interval between strike prices may be 1 point or greater where the strike price is \$200 or less and 2.5 points or greater where the strike price is greater than \$200.

(d) Initial and Additional Series. In-the-money, at-the-money, and out-of-the-money strike prices will be listed initially for an SSDO for a specific accrual period. The Exchange may add new strike prices as the expected value of the accrued dividends for the underlying issuer moves or upon request by an Exchange Trading Permit Holder.

(e) Premium Quotation. SSDOs will be quoted and traded in decimals. Each point of a SSDO price equals \$100. The minimum price variation for bids and offers shall be established on a class-by-class basis by the Exchange and shall not be less than \$0.01 (\$1.00).

(f) Expiration Months. The Exchange may list up to five annual contract months that expire in December in different years for any single stock underlying an SSDO and up to ten contract months

for accrual periods of less than a year. Near-term SSDO options reflect dividends accumulating in the then-current accrual period. All other SSDO options (i.e., contracts listed for trading that are not in the then-current accrual period) reflect dividends expected in comparable accrual periods beyond the current accrual period.

(g) Position and Exercise Limits. Position and exercise limits for SSDOs shall be the same as those for standard options overlying the same underlying stock. Near-term positions in SSDOs will be aggregated with longer-dated positions in SSDOs with the same underlying stock for position and exercise limit purposes. Exemptions may be available for certain qualified hedging strategies. Positions in SSDOs will not be aggregated with positions in the ordinary options overlying the stock of the issuer underlying the SSDOs. FLEX options positions on an SSDO will be aggregated with the non-FLEX positions for that SSDO.

(h) Settlement. The exercise-settlement value of an SSDO is ten (10) times the ordinary cash dividends paid by the issuer accumulated over the accrual period ending on the last business day before the Expiration Date. The exercise-settlement amount is equal to the difference between the exercise settlement value and the exercise price of the option, multiplied by \$100. Exercise will result in delivery of cash on the business day following expiration.

(i) FLEX Eligibility. The Exchange designates SSDOs as eligible for trading as Flexible Exchange Options as provided for in Chapter XXIVA (FLEX Hybrid Trading System).]

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EXHIBIT 5B

(additions are underlined; deletions are [bracketed])

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Rules of Cboe Exchange, Inc.
(Effective October 7, 2019)

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CHAPTER 4. OPTIONS LISTING**SECTION A. EQUITY AND ETP OPTIONS****Rule 4.1. Designation of Underlying Securities**

Securities dealt in on the Exchange are option contracts, each of which is designated by reference to the issuer of the underlying security, expiration month or expiration date, exercise price and type (put or call).

Rule 4.2. Rights and Obligations of Holders and Writers

The rights and obligations of holders and writers shall be as set forth in the Rules of the Clearing Corporation.

Rule 4.3. Criteria for Underlying Securities

(a) Underlying securities in respect of which put or call option contracts are approved for listing and trading on the Exchange must meet the following criteria:

(1) the security must be duly registered and be an NMS stock; and

(2) the security shall be characterized by a substantial number of outstanding shares which are widely held and actively traded.

(b) In addition, the Exchange shall from time to time establish guidelines to be considered by the Exchange in evaluating potential underlying securities for Exchange option transactions. There are, however, many relevant factors which must be considered in arriving at such a determination. The fact that a particular security may meet the guidelines established by the Exchange does not necessarily mean that it will be approved as an underlying security. Further, in exceptional circumstances an underlying security may be approved by the Exchange even though it does not meet all of the guidelines. The Exchange may also give consideration to maintaining diversity among various industries and issuers in selecting underlying securities.

Interpretations and Policies

.01 The Board of Directors has established guidelines to be considered by the Exchange in evaluating potential underlying securities for Exchange option transactions. Absent exceptional circumstances with respect to subparagraphs (a)(1), (a)(2), (b)(1), or (b)(2) listed below, at the time the Exchange selects an underlying security for Exchange option transactions, the following guidelines with respect to the issuer shall be met.

(a) Guidelines applicable to the issuer of the security are:

(1) There are a minimum of 7,000,000 shares of the underlying security which are owned by persons other than those required to report their stock holdings under Section 16(a) of the Exchange Act.

(2) There are a minimum of 2,000 holders of the underlying security.

(3) The issuer is in compliance with any applicable requirements of the Exchange Act.

(b) Guidelines applicable to the market for the security are:

(1) Trading volume (in all markets in which the underlying security is traded) has been at least 2,400,000 shares in the preceding twelve months.

(2)

(A) If the underlying security is a “covered security” as defined under Section 18(b)(1)(A) of the Securities Act of 1933, the market price per share of the underlying security has been at least \$3.00 for the previous three consecutive business days preceding the date on which the Exchange submits a certificate to the OCC for listing and trading. For purposes of this Interpretation .01(b)(2)(A), the market price of such underlying security is measured by the closing price reported in the primary market in which the underlying security is traded.

(B) If the underlying security is not a “covered security”, the market price per share of the underlying security has been at least \$7.50 for the majority of business days during the three calendar months preceding the date of selection, as measured by the lowest closing price reported in any market in which the underlying security traded on each of the subject days.

(c) Notwithstanding the requirements set forth in subparagraphs (a)(1), (a)(2), (b)(1), and (b)(2) listed above, the Exchange may list and trade an options contract if (1) the underlying security meets the guidelines for continued listing in Rule 4.4, and (2) options on such underlying security are listed and traded on at least one other registered national securities exchange.

.02 In considering underlying securities, the Exchange shall ordinarily rely on information made publicly available by the issuer and/or the markets in which the security is traded.

.03 The word “security” shall be broadly interpreted to mean any equity security, as defined in Rule 3a11-1, promulgated under the Securities Exchange Act of 1934, which is appropriate for option trading. The word “shares” shall mean the unit of trading of such security. Securities deemed

appropriate for options trading shall include non-convertible preferred stock issues and American Depositary Receipts (“ADRs”) if they meet the criteria and guidelines set forth in Rule 4.3 and the Interpretations thereunder and if, in the case of ADRs:

(a) the Exchange has in place an effective surveillance agreement with the primary exchange in the home country where the security underlying the ADR is traded;

(b) the combined trading volume of the ADR and other related ADRs and securities (as defined below) occurring in the U.S. ADR market or in markets with which the Exchange has in place an effective surveillance sharing agreement represents (on a share equivalent basis) at least 50% of the combined worldwide trading volume in the ADR, the security underlying the ADR, other classes of common stock related to the underlying security, and ADRs overlying such other stock (together, “other related ADRs and securities”) over the three month period preceding the date of selection of the ADR for options trading;

(c) (1) the combined trading volume of the ADR and other related ADRs and securities occurring in the U.S. ADR market and in markets where the Exchange has in place an effective surveillance agreement, represents (on a share equivalent basis) at least 20% of the combined worldwide trading volume in the ADR and in other related ADRs and securities over the three month period preceding the date of selection of the ADR for options trading; (2) the average daily trading volume for the security in the U.S. markets over the three months preceding the selection of the ADR for options trading is 100,000 or more shares; and (3) the trading volume is at least 60,000 shares per day in U.S. markets on a majority of the trading days for the three months preceding the date of selection of the ADR for options trading (“Daily Trading Volume Standard”); or

(d) the Securities and Exchange Commission otherwise authorizes the listing.

.04 Securities deemed appropriate for options trading shall include shares issued by registered closed-end management investment companies that invest in the securities of issuers based in one or more foreign countries (“International Funds”) if they meet the criteria and guidelines set forth in Rule 4.3 and the Interpretations thereunder and either:

(a) the Exchange has a market information sharing agreement with the primary home exchange for each of the securities held by the fund; or

(b) the International Fund is classified as a diversified fund as that term is defined by section 5(b) of the Investment Company Act of 1940 and the securities held by the fund are issued by issuers based in five or more countries.

A “market information sharing agreement” for purposes of this Rule is an agreement that would permit the Exchange to obtain trading information relating to the securities held by the fund including the identity of the member of the foreign exchange executing a trade. International Fund shares not meeting criteria (a) or (b) shall be deemed appropriate for options trading if the Commission specifically authorizes the listing.

.05

(a) In determining whether an equity security (the “Restructure Security”) issued or anticipated to be issued in a spin-off, reorganization, recapitalization, restructuring or similar corporate transaction (a “Restructuring Transaction”) satisfies the guidelines set forth in subparagraphs (b)(1) and (b)(2) of Interpretation and Policy .01 above, the Exchange may rely on the trading volume and market price history of the related equity security in respect of which the Restructure Security was or is to be issued (the “Original Security”) determined prior to the ex-date for the Restructuring Transaction, but only if:

(1) both the trading volume and the market price history of the Original Security are used for this purpose for any trading days when either is so used;

(2) once the Exchange commences to rely on the trading volume and market price history of the Restructure Security for any trading day, the Exchange may not rely on the trading volume and market price history of the Original Security for any trading day thereafter; and

(3) at least one of the following conditions is met:

(A) At least one of (i) the aggregate market value of the Restructure Security, (ii) the aggregate book value of the assets attributed to the business represented by the Restructure Security, or (iii) the revenues attributed to the business represented by the Restructure Security is no less than the Relevant Percentage of the same measure determined with respect to the Original Security or the business represented by the Original Security, as applicable, calculated in a comparable manner, provided that in the case of the qualification of a Restructure Security under clause (ii), the aggregate book value of the assets attributed to the business represented by the Restructure Security is not less than \$50 million, and in the case of the qualification of a Restructure Security under clause (iii), the revenues attributed to the business represented by the Restructure Security are not less than \$50 million. For purposes of the foregoing sentence, the Relevant Percentage is 25% when the applicable measure determined with respect to the Original Security or the business it represents reflects the inclusion of the business represented by the Restructure Security, and the Relevant Percentage is 33 1/3% when the applicable measure determined with respect to the Original Security or the business it represents reflects the exclusion of the business represented by the Restructure Security.

(B) The aggregate market value represented by the Restructure Security is at least five hundred million dollars (\$500,000,000).

For purposes of the foregoing: (1) the aggregate market value represented by the Restructure Security may be determined from “when issued” prices, if available; (2) comparative aggregate market value calculations shall be based upon share prices that are either all closing prices in the primary market on the last business day preceding the selection date of the Restructure Security as an underlying security, or are all opening prices in the primary market on the selection date of the Restructure Security as an underlying security; and (3) comparative asset values and revenues shall be derived from the later of the most recent annual or most recently available comparable interim (not less than three months) financial statements of each of the respective issuers, which may be audited or unaudited, and pro forma.

(b) Option contracts may not initially be listed for trading in respect of a Restructure Security until such time as shares of the Restructure Security are issued and outstanding and are the subject of trading that is not on a “when issued” basis or in any other way contingent on the issuance or distribution of the shares.

(c) In certifying a Restructure Security for options trading, the Exchange may determine that the requirements of paragraphs (a)(1) and (a)(2) of Interpretation and Policy .01 above are satisfied based on the facts and circumstances that will exist on the intended date for listing the option rather than at the time the Restructure Security is so selected. In the case of a transaction within the scope of this Interpretation and Policy .05 in which shares of a Restructure Security are issued or distributed to the holders of shares of an Original Security, this determination may either be based on the public ownership and number of shareholders of the Original Security, or the Exchange may assume that one or both of these requirements will be satisfied if either of the following conditions is met on the date the Restructure Security is selected for options trading: (1) the Restructure Security will be listed on an exchange or automatic quotation system subject to initial listing requirements in respect of public ownership of shares or number of shareholders or both that are no less stringent than the requirements assumed to be satisfied, or (2) at least 40,000,000 shares of the Restructure Security will be issued and outstanding on the intended date for listing the option, unless in the case of clause (1) or (2) above the Exchange, after reasonable investigation, has determined that such requirements will in fact not be satisfied on that date. Any determination by the Exchange that such requirements will be satisfied based on an assumption made pursuant to this paragraph is subject to the right of any objecting exchange to demonstrate that such requirements will in fact not be satisfied.

(d) In the case of a Restructuring Transaction that satisfies either or both of the conditions of subparagraphs (a)(1) or (a)(2) above in which shares of a Restructure Security are sold in a public offering or pursuant to a rights distribution:

(1) the Exchange may assume the satisfaction of one or both of the requirements of subparagraphs (a)(1) and (a)(2) of Interpretation and Policy .01 above on the date the Restructure Security is selected for options trading only if (A) the applicable conditions set forth in clause (1) of paragraph (c) above are met with respect to whichever of these requirements is assumed to be satisfied, or (B) the condition set forth in clause (2) of paragraph (c) above is met, in either case subject to the limitations stated in said paragraph (c);

(2) the Exchange may certify that the market price of the Restructure Security satisfies the requirement of subparagraph (b)(2) of Interpretation and Policy .01 above by relying on the market price history of the Original Security prior to the ex-date for the Restructuring Transaction in the manner described in paragraph (a) above, but only if the Restructure Security has traded “regular way” on an exchange or automatic quotation system for at least five trading days immediately preceding the date of selection, and at the close of trading on each trading day preceding the date of selection, as well as at the opening of trading on the date of selection the market price of the Restructure Security was at least \$7.50, or, if the Restructure Security is a Covered Security, as defined in subparagraph (b)(2) of Interpretation and Policy .01 above, the market price of the Restructure Security was at least \$3.00.

(3) the Exchange may certify that the trading volume of the Restructure Security satisfies the requirement of subparagraph (b)(1) of Interpretation and Policy .01 above only if the trading volume in the Restructure Security has been at least 2,400,000 shares during a period of twelve months or less ending on the date the Restructure Security is selected for options trading.

.06

(a) Securities deemed appropriate for options trading include Units that:

(1) represent interests in registered investment companies (or series thereof) organized as open-end management investment companies, unit investment trusts or similar entities that hold portfolios of securities and/or financial instruments including, but not limited to, stock index futures contracts, options on futures, options on securities and indexes, equity caps, collars and floors, swap agreements, forward contracts, repurchase agreements and reverse purchase agreements (the "Financial Instruments"), and money market instruments, including, but not limited to, U.S. government securities and repurchase agreements (the "Money Market Instruments") comprising or otherwise based on or representing investments in indexes or portfolios of securities and/or Financial Instruments and Money Market Instruments (or that hold securities in one or more other registered investment companies that themselves hold such portfolios of securities and/or Financial Instruments and Money Market Instruments); or

(2) represent interests in a trust or similar entity that holds a specified non-U.S. currency deposited with the trust or similar entity when aggregated in some specified minimum number may be surrendered to the trust by the beneficial owner to receive the specified non-U.S. currency and pays the beneficial owner interest and other distributions on deposited non-U.S. currency, if any, declared and paid by the trust ("Currency Trust Shares"); or

(3) represent commodity pool interests principally engaged, directly or indirectly, in holding and/or managing portfolios or baskets of securities, commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or non-U.S. currency ("Commodity Pool Units"); or

(4) represent interests in the SPDR Gold Trust or the iShares COMEX Gold Trust or the iShares Silver Trust or the ETFS Silver Trust or the ETFS Gold Trust or the ETFS Palladium Trust or the ETFS Platinum Trust or the Sprott Physical Gold Trust; or

(5) represents an interest in a registered investment company ("Investment Company") organized as an open-end management investment company or similar entity, that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies, which is issued in a specified aggregate minimum number in return for a deposit of a specified portfolio of securities and/or a cash amount with a value equal to the next determined net asset value ("NAV"), and when aggregated in the same specified minimum number, may be redeemed at a holder's request, which holder will be paid a specified portfolio of securities and/or cash with a value equal to the next determined NAV ("Managed Fund Share").

(b) The Units must either:

(1) meet the criteria and guidelines set forth in Rule 4.3 and Interpretation and Policy .01 thereunder; or

(2) be available for creation or redemption each business day from or through the issuing trust, investment company, commodity pools or other issuer in cash or in kind at a price related to net asset value, and the issuing trust, investment company, commodity pools or other issuer is obligated to issue Units in a specified aggregate number even if some or all of the investment assets and/or cash required to be deposited have not been received by the, the issuing trust, investment company, commodity pools or other issuer, subject to the condition that the person obligated to deposit the investment assets has undertaken to deliver the investment assets and/or cash as soon as possible and such undertaking is secured by the delivery and maintenance of collateral consisting of cash or cash equivalents satisfactory to the issuer of Units which underlie the option as described in the Units' prospectus.

(c) The Units must also meet the following criteria:

(1) are listed pursuant to generic listing standards for series of portfolio depositary receipts and index fund shares based on international or global indexes under which a comprehensive surveillance agreement is not required; or

(2)

(A) any non-U.S. component securities of an index or portfolio of securities on which the Units are based that are not subject to comprehensive surveillance agreements do not in the aggregate represent more than 50% of the weight of the index or portfolio;

(B) component securities of an index or portfolio of securities on which the Units are based for which the primary market is in any one country that is not subject to a comprehensive surveillance agreement do not represent 20% or more of the weight of the index;

(C) component securities of an index or portfolio of securities on which the Units are based for which the primary market is in any two countries that are not subject to comprehensive surveillance agreements do not represent 33% or more of the weight of the index;

(D) for Currency Trust Shares, the Exchange has entered into a comprehensive surveillance sharing agreement with the marketplace or marketplaces with last sale reporting that represent(s) the highest volume in derivatives (options or futures) on the specified non-U.S. currency, which are utilized by the national securities exchange where the underlying Currency Trust Shares are listed and traded; and

(E) for Commodity Pool Units, the Exchange has entered into a comprehensive surveillance sharing agreement with the marketplace or marketplaces with last sale

reporting that represent(s) the highest volume in such commodity futures contracts and/or options on commodity futures contracts on the specified commodities or non-U.S. currency, which are utilized by the national securities exchange where the underlying Commodity Pool Units are listed and traded.

.07 Securities deemed appropriate for options trading include Trust Issued Receipts, provided:

(a)

(1) the Trust Issued Receipts meet the criteria and guidelines for underlying securities set forth in Interpretation and Policy .01 to this Rule 4.3; or

(2) the Trust Issued Receipts must be available for issuance or cancellation each business day from the Trust in exchange for the underlying deposited securities; and

(b) not more than 20% of the weight of the Trust Issued Receipt is represented by ADRs on securities for which the primary market is not subject to a comprehensive surveillance agreement.

.08 A Trading Permit Holder may submit to the Secretary of the Exchange a written request that the Exchange list a particular option class whether or not the option class is traded on any other exchange or market. The request shall specify the reasons why the Trading Permit Holder believes the Exchange should list the option class. The Exchange shall make every reasonable effort to consider and make a decision regarding the request and in any event shall consider and make a decision regarding the request within 35 days of its receipt. If the Exchange denies the request or approves the request subject to conditions or limitations, the Exchange shall provide the Trading Permit Holder that submitted the request with a written response setting forth the rationale for its decision within 10 days of making the decision. If, in denying a request or approving a request subject to conditions or limitations, the Exchange relies upon a factor of other bona fide business considerations, the Exchange shall, in addition to providing the Trading Permit Holder with a written response specifying that the Exchange has relied upon other bona fide business considerations, maintain a record of the bona fide business considerations supporting its decision. In the event the Exchange determines to list an option class requested to be listed pursuant to this paragraph, the appointment of the option class shall be governed by Rule 5.50(h).

.09 In deciding whether or not to list an option class, or to place any conditions or limitations on such listing, the Exchange will consider one or more of the following factors:

(a) whether the proposed option class satisfies applicable listing criteria;

(b) processing capacity;

(c) cost to the Exchange of listing the option class;

(d) legal or regulatory impediments to listing the option class;

(e) the anticipated level of Exchange contract volume and market share in the option class;

(f) Trading Permit Holder and customer interest in trading the option class; (vii) operational factors; and

(g) other bona fide business considerations.

These criteria shall apply to all option classes considered by the Exchange for listing, whether based on a Trading Permit Holder request or otherwise.

.10 (a) The term “Partnership Units” means a security (1) that is issued by a partnership that invests in any combination of futures contracts, options on futures contracts, forward contracts, commodities (as defined in Section 1(a)(4) of the Commodity Exchange Act) and/or securities; and

(b) that is issued and redeemed daily in specified aggregate amounts at net asset value.

.11 Securities deemed appropriate for options trading shall include a Credit Option for which the Reference Entity, as defined under Rule 4.40, satisfies all of the following criteria:

(a) The Reference Entity or the Reference Entity’s parent, if the Reference Entity is a wholly-owned subsidiary, has at least one class of securities that is duly registered and is an NMS stock.

(b) The equity securities issued by the Reference Entity pursuant to paragraph (a) above satisfy the requirements for options trading on the Exchange pursuant to Rule 4.4.

.12 Securities deemed appropriate for initial listing shall include a Corporate Debt Security, as defined under Rule 4.30, that satisfies all of the following criteria:

(a) The original public sale of a Corporate Debt Security shall be at least a \$250,000,000 principal amount.

(b) Trading volume (in all markets in which the underlying Corporate Debt Security is traded) has been at least \$100,000,000 in notional value over the preceding six months.

(c) There is a minimum aggregate par value or “float” of \$200,000,000 of the Corporate Debt Security outstanding.

(d) There is a minimum number of 320 holders of the Corporate Debt Security.

(e) The issuer of the Corporate Debt Security or the issuer’s parent, if the issuer is a wholly-owned subsidiary, has at least one class of common or preferred equity securities registered under Section 12(b) of the Exchange Act.

(f) The equity securities issued by the issuer of the Corporate Debt Security are “covered securities” as defined under Section 18(b)(1)(A) of the Securities Act of 1933.

(g) The equity securities issued by the issuer of the Corporate Debt Security satisfy the requirements for options trading on the Exchange pursuant to Exchange Rule 4.4.

(h) The Corporate Debt Security on which options transactions will be effected on the Exchange has a credit rating issued by Moody's Investors Service that is Caa or higher and a credit rating issued by Standard and Poor's that is CC or higher.

(i) The issuer of the Corporate Debt Security has registered the offer and sale of such securities under the Securities Act of 1933.

(j) The transfer agent of the Corporate Debt Security is registered under Section 17A of the Securities Exchange Act of 1934.

(k) The trust indenture for the Corporate Debt Security is qualified under the Trust Indenture Act of 1939.

.13 Index-Linked Securities

(a) Securities deemed appropriate for options trading shall include shares or other securities ("Equity Index-Linked Securities," "Commodity-Linked Securities," "Currency-Linked Securities," "Fixed Income Index-Linked Securities," "Futures-Linked Securities," and "Multifactor Index-Linked Securities," collectively known as "Index-Linked Securities" or ETNs) that are principally traded on a national securities exchange and an NMS Stock, and represent ownership of a security that provides for the payment at maturity, as described below:

(1) Equity Index-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of an underlying index or indexes of equity securities ("Equity Reference Asset");

(2) Commodity-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of one or more physical commodities or commodity futures, options on commodities, or other commodity derivatives or Commodity-Based Trust Shares or a basket or index of any of the foregoing ("Commodity Reference Asset");

(3) Currency-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of one or more currencies, or options on currencies or currency futures or other currency derivatives or Currency Trust Shares (as defined in Interpretation and Policy .06 to this Rule 4.3), or a basket or index of any of the foregoing ("Currency Reference Asset");

(4) Fixed Income Index-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of one or more notes, bonds, debentures or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities ("Treasury Securities"), government-sponsored entity securities ("GSE Securities"), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or a subdivision thereof or a basket or index of any of the foregoing ("Fixed Income Reference Asset");

(5) Futures-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of an index or indexes of futures contracts or options or derivatives on futures contracts (“Futures Reference Asset”); and

(G) Multifactor Index-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance or the leveraged (multiple or inverse) performance of any combination of two or more Equity Reference Assets, Commodity Reference Assets, Currency Reference Assets, Fixed Income Reference Assets, or Futures Reference Assets (“Multifactor Reference Asset”).

(b) For purposes of Interpretation and Policy .13 to this Rule 4.3, Equity Reference Assets, Commodity Reference Asset, Currency Reference Assets, Fixed Income Reference Assets, Futures Reference Assets together with Multifactor Reference Assets, collectively will be referred to as “Reference Assets.”

(c)

(A) The Index-Linked Securities must meet the criteria and guidelines for underlying securities set forth in Interpretation and Policy .01 to this Rule 4.3.; or

(B) the Index-Linked securities must be redeemable at the option of the holder at least on a weekly basis through the issuer at a price related to the applicable underlying Reference Asset. In addition, the issuing company is obligated to issue or repurchase the securities in aggregation units for cash, or cash equivalents, satisfactory to the issuer of Index-Linked Securities which underlie the option as described in the Index-Linked Securities prospectus.

(d) The Exchange will implement surveillance procedures for options on Index-Linked Securities, including adequate comprehensive surveillance sharing agreements with markets trading in non-U.S. components, as applicable.

Rule 4.4. Withdrawal of Approval of Underlying Securities

Whenever the Exchange determines that an underlying security previously approved for Exchange option transactions does not meet the then current requirements for continuance of such approval or for any other reason should no longer be approved, the Exchange will not open for trading any additional series of options of the class covering that underlying security and therefore two Floor Officials, in consultation with a designated senior executive officer of the Exchange, may prohibit any opening purchase or sale transactions in series of options of that class previously opened (except that (a) opening transactions by Market-Makers executed to accommodate closing transactions of other market participants and (b) opening transactions by TPH organizations to facilitate the closing transactions of public customers executed as crosses pursuant to and in accordance with Rule 5.87(d) and (f) may be permitted), to the extent it deems such action necessary or appropriate; provided, however, that where exceptional circumstances have caused an underlying security not to comply with the Exchange’s current approval maintenance requirements, regarding number of publicly held shares or publicly held principal amount, number of shareholders, trading volume or market price the Exchange, in the interest of

maintaining a fair and orderly market or for the protection of investors, may determine to continue to open additional series of option contracts of the class covering that underlying security. When all option contracts in respect of any underlying security that is no longer approved have expired, the Exchange may make application to the Commission to strike from trading and listing all such option contracts.

Interpretations and Policies

.01 The Exchange has established guidelines to be considered when determining whether an underlying security previously approved for Exchange option transactions no longer meets its requirements for the continuance of such approval. Absent exceptional circumstances, with respect to paragraphs (a), (b), or (c) listed below, an underlying security will not be deemed to meet the Exchange's requirements for continued approval whenever any of the following occur:

(a) There are fewer than 6,300,000 shares of the underlying security held by persons other than those who are required to report their security holdings under Section 16(a) of the Exchange Act.

(b) There are fewer than 1,600 holders of the underlying security.

(c) The trading volume (in all markets in which the underlying security is traded) was less than 1,800,000 shares in the preceding twelve months.

(d) The underlying security ceases to be an NMS stock.

(e) If an underlying security is approved for options listing and trading under the provisions of Interpretation and Policy .05 of Rule 4.3, the trading volume of the Original Security (as therein defined) prior to but not after the commencement of trading in the Restructure Security (as therein defined), including "when-issued" trading, may be taken into account in determining whether the trading volume requirement of paragraph (c) of this Interpretation and Policy .01 are satisfied, provided, however, that in the case of a Restructure Security approved for options listing and trading under paragraph (d) of Interpretation and Policy .05 of Rule 4.3, such trading volume requirements must be satisfied based on the trading volume history of the Restructure Security.

.02 In considering whether any of the events specified in Interpretation and Policy .01 have occurred with respect to an underlying security, the Exchange shall ordinarily rely on information made publicly available by the issuer and/or the markets in which such security is traded.

.03 If prior to the delisting of a class of option contracts covering an underlying security which has been found not to meet the Exchange's requirements for continued approval, the Exchange shall determine that the underlying security again meets the Exchange's requirements for such underlying security, the Exchange may open for trading additional series of options of that class and two Floor Officials, in consultation with a designated senior executive officer of the Exchange, may lift any restriction on opening purchase or sale transactions imposed under this Rule.

.04 Whenever the Exchange shall announce that approval of an underlying security has been withdrawn for any reason or that the Exchange has been informed that the issuer of an underlying security has ceased to be in compliance with SEC reporting requirements, each Trading Permit Holder and TPH organization shall, prior to effecting any transaction in option contracts in respect of such underlying security for a customer, inform such customer of such fact and of the fact that the Exchange may prohibit further transactions in such option contracts to the extent it shall deem such action necessary and appropriate.

.05 If an ADR was initially deemed appropriate for options trading on the grounds that 50% or more of the worldwide trading volume (on a share-equivalent basis) in the ADR and other related ADRs and securities takes place in U.S. markets or in markets with which the Exchange has in place an effective surveillance sharing agreement, or if an ADR was initially deemed appropriate for options trading based on the Daily Trading Volume Standard described in Interpretation .03 to Rule 4.3, the Exchange may not open for trading additional series of options on that ADR unless:

(a) the percentage of worldwide trading volume in the ADR and other related securities that takes place in the U.S. and in markets with which the Exchange has in place surveillance sharing agreements for any consecutive three month period is either:

(1) at least 30% without regard to the average daily trading volume in the ADR; or

(2) at least 15% when the average U.S. daily trading volume in the ADR for the previous three months is at least 70,000 shares;

(b) the Exchange then has in place an effective surveillance agreement with the primary exchange in the home country where the security underlying the ADR is traded; or

(c) the Commission has otherwise authorized the listing.

.06 Units that represent interests in registered investment companies (or series thereof) organized as open-end management investment companies, unit investment trusts or similar entities that were initially approved for options trading pursuant to Interpretation and Policy .06 under Rule 4.3 shall be deemed not to meet the Exchange's requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the class covering such Units, if the Units cease to be an NMS stock as provided in paragraph (d) of Interpretation and Policy .01 of this Rule 4.4 or the Units are halted from trading in their primary market. In addition, two Floor Officials, in consultation with a designated senior executive officer of the Exchange, shall consider the suspension of opening transactions in any series of options of the class covering Units in any of the following circumstances:

(a) In the case of options covering Units approved for trading under Rule 4.3 and Interpretation and Policy .06(b)(1) thereunder, in accordance with the terms of paragraphs (a), (b), and (c) of Interpretation and Policy .01 of this Rule 4.4;

(b) In the case of options covering Units approved for trading under Rule 4.3 and Interpretation and Policy .06(b)(2) thereunder, following the initial twelve-month period beginning upon the commencement of trading in the Units on a national securities exchange and are defined as an NMS stock, there are fewer than 50 record and/or beneficial holders of such Units for 30 or more consecutive trading days;

(c) The value of the index or portfolio of securities, non-U.S. currency, or portfolio of commodities including commodity futures contracts, options on commodity futures contracts, swaps, forward contracts and/or options on physical commodities and/or Financial Instruments and Money Market Instruments on which the Units are based is no longer calculated or available;
or

(d) Such other event shall occur or condition exist that in the opinion of the Exchange makes further dealing in such options on the Exchange inadvisable.

.07 Absent exceptional circumstances, Trust Issued Receipts shall not be deemed to meet the Exchange's requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the class covering such Trust Issued Receipts, whenever the Trust Issued Receipts are delisted and trading in the Receipts is suspended on a national securities exchange, or the Trust Issued Receipts are no longer traded as national market securities through the facilities of a national securities association. In addition, two Floor Officials, in consultation with a designated senior executive officer of the Exchange, shall consider the suspension of opening transactions in any series of options of the class covering Trust Issued Receipts in any of the following circumstances:

(a) In accordance with the terms of paragraphs (a) through (e) of Interpretation and Policy .01 of this Rule 4.4 in the case of options covering Trust Issued Receipts when such options were approved pursuant to paragraph (a)(1) of Interpretation and Policy .07 under Rule 4.3;

(b) The Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Trust Issued Receipts for 30 or more consecutive trading days;

(c) The trust has fewer than 50,000 receipts issued and outstanding;

(d) The market value of all receipts issued and outstanding is less than \$1,000,000; or

(e) Such other event shall occur or condition exist that in the opinion of the Exchange makes further dealing in such options on the Exchange inadvisable.

.08 For HOLDing Company Depositary ReceiptS (HOLDRS), the Exchange will not open additional series of options overlying HOLDRS (without prior Commission approval) if:

(a) the proportion of securities underlying standardized equity options to all securities held in a HOLDRS trust is less than 80% (as measured by their relative weightings in the HOLDRS trust);
or

(b) less than 80% of the total number of securities held in a HOLDRS trust underlie standardized equity options.

.09 In determining whether any of the events specified in Interpretation and Policy .01(a) or (b) of this Rule have occurred, the Exchange will monitor on a daily basis news sources for information of corporate actions, including stock splits, mergers and acquisitions, distribution of special cash dividends, recapitalizations, and stock buy backs. If a corporate action indicates that an underlying security no longer meets the Exchange's requirements for continued approval under Interpretation and Policy .01(a) or (b) of this Rule, the Exchange will not open additional series of option contracts of the class covering the underlying security. If, however, information of a corporate action does not indicate that any of the events specified in Interpretation and Policy .01(a) or (b) have occurred, the Exchange shall consider the events specified in Interpretation and Policy .01(a) and (b) to have been satisfied.

.10

(a) When there is no open interest in a series the Exchange may delist such series. Delisting shall be preceded by a notice to TPH organizations concerning the delisting.

(b) If an option series is listed but restricted to closing transactions on another national securities exchange, the Exchange may list such series (even if such series would not otherwise be eligible for listing under the Rules), which shall also be restricted to closing transactions on the Exchange.

.11 If an option class is open for trading on another national securities exchange, the Exchange may delist such option class immediately. If an option class is open for trading solely on the Exchange, the Exchange may determine to not open for trading any additional series in that option class; may restrict series with open interest to closing transactions, provided that, opening transactions by Market-Makers executed to accommodate closing transactions of other market participants and opening transactions by TPH organizations to facilitate the closing transactions of public customers executed as crosses pursuant to and in accordance with Rule 6.74(b) or (d) may be permitted; and may delist the option class when all series within that class have expired. In all instances, delisting shall be preceded by a notice to TPH organizations concerning the delisting.

.12 A Corporate Debt Security, as defined in Rule 4.30, that was initially approved for options trading pursuant to Interpretation and Policy .12 under Rule 4.3 shall be deemed not to meet the Exchange's requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the class covering such Corporate Debt Security and therefore the Exchange may prohibit any opening purchase or sale transactions in series of options of that class previously opened as provided in Rule 4.4 above at any time the Exchange determines on the basis of information made publicly available that the following circumstances may have occurred:

(a) Trading volume (in all markets in which the Corporate Debt Security is traded) is less than \$75,000,000 in notional value over the preceding six months.

(b) Any of the requirements set forth in paragraphs (c) through (k) of Interpretation and Policy .10 of Rule 4.3 are not satisfied.

.13 A Reference Entity, as defined in Rule 4.40, for which options trading pursuant to Interpretation and Policy .11 under Rule 4.3 was initially approved, shall be deemed not to meet the Exchange's requirements for continued approval, and the Exchange shall not open for trading any additional series of option contracts of the Credit Option class based on that Reference Entity and therefore the Exchange may prohibit any opening purchase or sale transactions in series of options of that class previously opened as provided in Rule 4.4 above at any time the Exchange determines on the basis of information made publicly available that any of the requirements set forth in paragraphs (a) through (b) of Interpretation and Policy .11 under Rule 4.3 are not satisfied.

.14 Absent exceptional circumstances, Index-Linked Securities ("Securities") initially approved for options trading pursuant to Interpretation and Policy .13 to Rule 4.3 shall not be deemed to meet the Exchange's requirements for continued approval, and the Exchange shall not open for trading any additional series or option contracts of the class covering such Securities whenever the underlying Securities are delisted and trading in the Securities is suspended on a national securities exchange, or the Securities are no longer an NMS Stock. In addition, the Exchange shall consider the suspension of opening transactions in any series of options of the class covering Index-Linked Securities in any of the following circumstances:

(a) The underlying Index-Linked Security fails to comply with the terms of Interpretation and Policy .13 to Rule 4.3;

(b) In accordance with the terms of Interpretation and Policy .01 to this Rule 4.4, in the case of options covering Index-Linked Securities when such options were approved pursuant to Interpretation and Policy .13 to Rule 4.3, except that, in the case of options covering Index-Linked Securities approved pursuant to Interpretation and Policy .13(a)(2) to Rule 4.3 that are redeemable at the option of the holder at least on a weekly basis, then option contracts of the class covering such Securities may only continue to be open for trading as long as the Securities are listed on a national securities exchange and are NMS stocks;

(c) In the case of any Index-Linked Security trading pursuant to Interpretation and Policy .13 to Rule 4.3, the value of the Reference Asset is no longer calculated; or

(d) Such other event shall occur or condition exist that in the opinion of the Exchange make further dealing in such options on the Exchange inadvisable.

Rule 4.5. Series of Option Contracts Open for Trading

(a) After a particular class of options (call option contracts or put option contracts relating to a specific underlying security or calculated index) has been approved for listing and trading on the Exchange, the Exchange from time to time may open for trading series of options on that class. Only options contracts of series currently open for trading may be purchased or written on the Exchange. Prior to the opening of trading in a given series, the Exchange will fix the expiration

month, year and exercise price of that series. Exercise price setting parameters are part of the OLPP as reflected in Rule 4.7. For Short Term Option Series, the Exchange will fix a specific expiration date and exercise price, as provided in paragraph (d). For Quarterly Options Series the Exchange will fix a specific expiration date and exercise price, as provided in paragraph (e). For Delayed Start Option Series, the Exchange will fix a specific expiration date and exercise price as provided under Rule 4.13(d).

(b) Except for Short Term Option Series, Quarterly Options Series, and Delayed Start Option Series, at the commencement of trading on the Exchange of a particular class of options, the Exchange shall open a minimum of one expiration month and series for each class of options open for trading on the Exchange. The exercise price of each series will be fixed at a price per share which is reasonably close to the price per share at which the underlying stock is traded in the primary market at about the time that class of options is first opened for trading on the Exchange. Paragraph (d) will govern the procedures for opening Short Term Options Series. Paragraph (e) will govern the procedures for opening Quarterly Options Series. Rule 4.13(d) will govern the procedures for setting the exercise price for Delayed Start Option Series.

(c) Additional series of options of the same class may be opened for trading on the Exchange when the Exchange deems it necessary to maintain an orderly market, to meet customer demand or when the market price of the underlying stock moves more than five strike prices from the initial exercise price or prices. The opening of a new series of options on the Exchange will not affect any other series of options of the same class previously opened.

(d) *Short Term Option Series Program.* After an option class has been approved for listing and trading on the Exchange, the Exchange may open for trading on any Thursday or Friday that is a business day (“Short Term Option Opening Date”) series of options on that class that expire at the close of business on each of the next five Fridays that are business days and are not Fridays on which monthly options series or Quarterly Options Series expire (“Short Term Option Expiration Dates”). The Exchange may have no more than a total of five Short Term Option Expiration Dates. Monday and Wednesday SPY Expirations (described in the paragraph below) are not included as part of this count. If the Exchange is not open for business on the respective Thursday or Friday, the Short Term Option Opening Date will be the first business day immediately prior to that respective Thursday or Friday. Similarly, if the Exchange is not open for business on a Friday, the Short Term Option Expiration Date will be the first business day immediately prior to that Friday.

Monday and Wednesday SPY Expirations. The Exchange may open for trading on any Friday or Monday that is a business day (“Monday SPY Expiration Opening Date”) series of options on the SPDR S&P 500 ETF Trust (“SPY”) that expire at the close of business each of the next five Mondays that are business days and are no Mondays on which Quarterly Options Series expire (“Monday SPY Expirations”), provided that any Monday SPY Expiration Opening Date that is a Friday is one business week and one business day prior to expiration. The Exchange may also open for trading on any Tuesday or Wednesday that is a business day (“Wednesday SPY Expiration Opening Date”) series of SPY options that expire at the close of business on each of the next five Wednesdays that are business days and are not Wednesdays on which Quarterly Options Series expire (“Wednesday SPY Expirations”). The Exchange may have no more than a total of five Monday SPY Expirations and no more than a total of five Wednesday SPY Expirations. Non-Monday and non-Wednesday SPY Expirations (described in the paragraph above) are not included

as part of this count. If the Exchange is not open for business on the respective Friday or Monday, the Monday SPY Expiration Opening Date will be the first business day immediately prior to that respective Friday or Monday. If the Exchange is not open for business on a Monday, the expiration date for a Monday SPY Expiration will be the first business day immediately following that Monday. If the Exchange is not open for business on the respective Tuesday or Wednesday, the Wednesday SPY Expiration Opening Date will be the first business day immediately prior to that respective Tuesday or Wednesday. Similarly, if the Exchange is not open for business on a Wednesday, the expiration date for a Wednesday SPY Expiration will be the first business day immediately prior to that Wednesday.

References to “Short Term Option Series” below shall be read to include “Monday and Wednesday SPY Expirations,” except where indicated otherwise.

Regarding Short Term Option Series:

(1) *Classes.* The Exchange may select up to fifty currently listed option classes on which Short Term Option Series may be opened on any Short Term Option Opening Date. In addition to the fifty-option class restriction, the Exchange also may list Short Term Option Series on any option classes that are selected by other securities exchanges that employ a similar program under their respective rules. For each option class eligible for participation in the Short Term Option Series Program, the Exchange may open up to 30 Short Term Option Series for each expiration date in that class. The Exchange may also open Short Term Option Series that are opened by other securities exchanges in option classes selected by such exchanges under their respective short term option rules.

(2) *Expiration.* No Short Term Option Series (excluding Monday and Wednesday SPY Expirations) may expire in the same week in which monthly option series on the same class expire and, in the case of Quarterly Options Series, no Short Term Option Series may expire on an expiration that coincides with an expiration of Quarterly Option Series on the same class.

(3) *Initial Series.* The Exchange may open up to 20 initial series for each option class that participates in the Short Term Option Series Program. The strike price of each Short Term Option Series will be fixed at a price per share, with approximately the same number of strike prices being opened above and below the value of the underlying security at about the time that the Short Term Option Series are initially opened for trading on the Exchange (e.g., if seven series are initially opened, there will be at least three strike prices above and three strike prices below the value of the underlying security). Any strike prices listed by the Exchange shall be reasonably close to the price of the underlying equity security (which underlying security price shall be determined in accordance with the OLPP as reflected in Rule 4.7) and within the following parameters: (A) if the price of the underlying is less than or equal to \$20, strike prices shall be not more than 100% above or below the price of the underlying security; and (B) if the price of the underlying security is greater than \$20, strike prices shall be not more than 50% above or below the price of the underlying security.

(4) *Additional Series.* The Exchange may open up to 10 additional series for each option class that participates in the Short Term Option Series Program when the Exchange deems it

necessary to maintain an orderly market, to meet customer demand or when the market price of the underlying security moves substantially from the exercise price or prices of the series already opened. Any additional strike prices listed by the Exchange shall be reasonably close to the price of the underlying equity security (which underlying security price shall be determined in accordance with the OLPP as reflected in Rule 4.7) and within the following parameters: (A) if the price of the underlying is less than or equal to \$20, additional strike prices shall be not more than 100% above or below the price of the underlying security; and (B) if the price of the underlying security is greater than \$20, additional strike prices shall be not more than 50% above or below the price of the underlying security. The Exchange may also open additional strike prices of Short Term Option Series that are more than 50% above or below the current price of the underlying security (if the price is greater than \$20); provided that demonstrated customer interest exists for such series, as expressed by institutional, corporate or individual customers or their brokers. Market-Makers trading for their own account shall not be considered when determining customer interest under this provision. In the event that the underlying security has moved such that there are no series that are at least 10% above or below the current price of the underlying security and all existing series have open interest, the Exchange may list additional series, in excess of the thirty series per class limit set forth in Rule 4.5(d)(1), that are between 10% and 30% above or below the price of the underlying security. The opening of the new Short Term Option Series shall not affect the series of options of the same class previously opened. Notwithstanding any other provisions in this Rule 4.5, Short Term Option Series may be added up to and including on the Short Term Option Expiration Date for that options series.

(5) *Strike Interval.* The interval between strike prices on Short Term Option Series may be:

(A) \$0.50 or greater where the strike price is less than \$100, and \$1 or greater where the strike price is between \$100 and \$150 for all classes that participate in the Short Term Option Series Program;

(B) \$0.50 or greater for classes that trade in one dollar increments in non-Short Term Options and that participate in the Short Term Option Series Program; or

(C) \$2.50 or greater where the strike price is above \$150. A non-Short Term Option that is on a class that has been selected to participate in the Short Term Option Series Program is referred to as a “Related non-Short Term Option.”

(6) *Delisting.* In the event that the underlying security has moved such that there are no series that are at least 10% above or below the current price of the underlying security, the Exchange will delist any series with no open interest in both the call and the put series having a: (A) strike higher than the highest price with open interest in the put and/or call series for a given expiration week; and (B) strike lower than the lowest strike price with open interest in the put and/or the call series for a given expiration week.

Related non-Short Term Option series shall be opened during the month prior to expiration in the same manner as permitted in Rule 4.5(d) and in the same strike price intervals that are permitted in this Rule 4.5(d)(5).

(e) Quarterly Option Series Program. The Exchange may list and trade options series that expire at the close of business on the last business day of a calendar quarter (“Quarterly Options Series”).

(1) Classes. The Exchange may list Quarterly Options Series for up to five currently listed options classes that are either index options or options on ETFs. In addition, the Exchange may also list Quarterly Options Series on any options classes that are selected by other securities exchanges that employ a similar program under their respective rules.

(2) Expiration. The Exchange may list series that expire at the end of the next consecutive four calendar quarters, as well as the fourth quarter of the next calendar year. For example, if the Exchange is trading Quarterly Options Series in the month of May 2009, it may list series that expire at the end of the second, third, and fourth quarters of 2009, as well as the first and fourth quarters of 2010. Following the second quarter 2009 expiration, the Exchange could add series that expire at the end of the second quarter of 2010.

(3) Settlement. Quarterly Options Series will be P.M.-settled.

(4) Initial Series. The strike price for each Quarterly Options Series will be fixed at a price per share, with at least two strike prices above and two strike prices below the approximate value of the underlying security at about the time that a Quarterly Options Series is opened for trading on the Exchange. The Exchange shall list strike prices for a Quarterly Options Series that are within \$5 from the closing price of the underlying on the preceding day.

(5) Additional Series. Additional Quarterly Options Series of the same class may be open for trading on the Exchange when the Exchange deems it necessary to maintain an orderly market, to meet customer demand or when the market price of the underlying security moves substantially from the initial exercise price or prices. To the extent that any additional strike prices are listed by the Exchange, such additional strike prices shall be within 30% above or below the closing price of the underlying ETF on the preceding day. The Exchange may also open additional strike prices of Quarterly Option Series in ETF options that are more than 30% above or below the current price of the underlying ETF provided that demonstrated customer interest exists for such series, as expressed by institutional, corporate or individual customers or their brokers. Market-Makers trading for their own account shall not be considered when determining customer interest under this provision. The opening of the new Quarterly Options Series shall not affect the series of options of the same class previously opened.

(6) Strike Interval. The interval between strike prices on Quarterly Options Series shall be the same as the interval for strike prices for series in that same options class that expire in accordance with the normal monthly expiration cycle.

(7) Delisting Policy.

(A) With respect to Quarterly Options Series in ETF options added pursuant to the above paragraphs, the Exchange will, on a monthly basis, review series that are outside a range of five strikes above and five strikes below the current price of the underlying ETF, and delist series with no open interest in both the put and the call

series having a: (i) strike higher than the highest strike price with open interest in the put and/or call series for a given expiration month; and (ii) strike lower than the lowest strike price with open interest in the put and/or call series for a given expiration month.

(B) Notwithstanding the above referenced delisting policy, customer requests to add strikes and/or maintain strikes in Quarterly Options Series in ETF options in series eligible for delisting shall be granted.

(C) In connection with the above referenced delisting policy, if the Exchange identifies series for delisting, the Exchange shall notify other options exchanges with similar delisting policies regarding eligible series for delisting, and shall work with such other exchanges to develop a uniform list of series to be delisted, so as to ensure uniform series delisting of multiply listed Quarterly Options Series in ETF options.

(8) Additional ETF Series. During the last quarter of 2008 (and for the new expiration month being added after December Quarterly Option Series expiration), the Exchange may list up to 100 additional series per expiration month for each Quarterly Options Series in ETF options.

(f) Long-Term Equity Option Series (LEAPS).

(1) Notwithstanding conflicting language above, the Exchange may list long-term equity option series (LEAPS) that expire from 12 to 180 months from the time they are listed. There may be up to ten additional expiration months for options on SPY and up to six additional expiration months for all other option classes.

(2) With regard to the listing of new January LEAPS series on equity option classes, options on ETFs, or options on TIRs, the Exchange shall not add new LEAP series on a currently listed and traded option class earlier than the Monday prior to the September expiration (which is 28 months before the expiration). Pursuant to the OLPP, exchanges that list and trade the same equity option class, ETF option class, or TIR option class are authorized to jointly determine and coordinate with the Clearing Corporation on the date of introduction of new LEAP series for that option class consistent with this paragraph (f)(2).

(3) The Exchange shall not list new LEAP series on equity option classes, options on ETFs, or options on TIRs in a new expiration year if the national average daily contract volume, excluding LEAP and FLEX series, for that option class during the preceding three calendar months is less than 1,000 contracts, unless the new LEAP series has an expiration year that has already been listed on another exchange for that option class. The preceding volume threshold does not apply during the first six months an equity option class, option on an ETF, or option on a TIR is listed on any exchange.

Interpretations and Policies

.01 The interval between strike prices of series of options on individual stocks may be:

(a) The \$1 Strike Price Interval Program.

(1) Program Description. \$1.00 or greater strike price intervals where the strike price is \$50.00 or less, but not less than \$1. Except as provided in subparagraph 3 below, the listing of \$1 strike price intervals shall be limited to options classes overlying no more than 150 individual stocks as specifically designated by the Exchange. The Exchange may list \$1 strike price intervals on any other option classes if those classes are specifically designated by other securities exchanges that employ a similar \$1 Strike Price Interval Program under their respective rules. If a class participates in the \$1 Strike Price Interval Program, \$2.50 strike price intervals are not permitted between \$1 and \$50 for non-LEAPS and LEAPS.

(2) Initial and Additional Series. To be eligible for inclusion into the \$1 Strike Price Interval Program, an underlying stock must close below \$50 in its primary market on the previous trading day. After a stock is added to the \$1 Strike Price Interval Program, the Exchange may list \$1 strike price intervals from \$1 to \$50 according to the following parameters:

(A) If the price of the underlying stock is equal to or less than \$20, the Exchange may list series with an exercise price up to 100% above and 100% below the price of the underlying stock. However, the foregoing restriction shall not prohibit the listing of at least five strike prices above and below the price of the underlying stock per expiration month in an option class. For example, if the price of the underlying stock is \$2, the Exchange would be permitted to list the following series: \$1, \$2, \$3, \$4, \$5, \$6, and \$7.

(B) If the price of the underlying stock is greater than \$20, the Exchange may list series with an exercise price up to 50% above and 50% below the price of the underlying security up to \$50.

(C) For the purpose of adding strikes under the \$1 Strike Price Interval Program, the “price of the underlying stock” shall be measured in the same way as “the price of the underlying security” is as set forth in the OLPP as reflected in Rule 4.7.

(D) No additional series in \$1 strike price intervals may be listed if the underlying stock closes at or above \$50 in its primary market. Additional series in \$1 strike price intervals may not be added until the underlying stock closes again below \$50.

(E) LEAPS. For stocks in the \$1 Strike Price Interval Program, the Exchange may list one \$1 strike price interval between each standard \$5 strike interval, with the \$1 strike price interval being \$2 above the standard strike for each interval above the price of the underlying stock, and \$2 below the standard strike for each interval below the price of the underlying stock (“\$2 wings”). For example, if the price of the underlying stock is \$24.50, the Exchange may list the following standard strikes in \$5 intervals: \$15, \$20, \$25, \$30 and \$35. Between these standard \$5 strikes, the Exchange may list the following \$2 wings: \$18, \$27 and \$32.

In addition, the Exchange may list the \$1 strike price interval which is \$2 above the standard strike just below the underlying price at the time of listing. In the above example, since the

standard strike just below the underlying price (\$24.50) is \$20, the Exchange may list a \$22 strike. The Exchange may add additional long-term options series strikes as the price of the underlying stock moves, consistent with the OLPP.

Additional long-term option strikes may not be listed within \$1 of an existing strike until less than nine months to expiration.

(3) The Exchange may list \$1 strike prices up to \$5 in LEAPS in up to 200 option classes on individual stocks. The Exchange may not list \$1 strike price intervals within \$0.50 of an existing \$2.50 strike in the same expiration.

(4) *Delisting Policy.* For options classes selected to participate in the \$1 Strike Price Interval Program, the Exchange will on a monthly basis review series that were originally listed under the \$1 Strike Price Interval Program with strike prices that are more than \$5 from the current value of an options class and delist those series with no open interest in both the put and the call series having a: (A) strike higher than the highest strike price with open interest in the put and/or call series for a given expiration month; and (B) strike lower than the lowest strike price with open interest in the put and/or call series for a given expiration month.

If the Exchange identifies series for delisting pursuant to this policy, the Exchange shall notify the other options exchanges with similar delisting policies regarding the eligible series for delisting, and shall work jointly with such other exchanges to develop a uniform list of series to be delisted so as to ensure uniform series delisting of multiply listed options classes.

Notwithstanding the above delisting policy, the Exchange may grant member requests to add strikes and/or maintain strikes in series of options classes traded pursuant to this Program that are eligible for delisting.

A stock shall remain in the \$1 Strike Price Interval Program until otherwise designated by the Exchange.

(b) \$0.50 or greater beginning at \$0.50 where the strike price is \$5.50 or less, but only for options classes whose underlying security closed at or below \$5.00 in its primary market on the previous trading day and which have national average daily volume that equals or exceeds 1000 contracts per day as determined by OCC during the preceding three calendar months. The listing of \$0.50 strike prices shall be limited to options classes overlying no more than 20 individual stocks (the “\$0.50 Strike Program”) as specifically designated by the Exchange. The Exchange may list \$0.50 strike prices on any other option classes if those classes are specifically designated by other securities exchanges that employ a similar \$0.50 Strike Program under their respective rules. A stock shall remain in the \$0.50 Strike Program until otherwise designated by the Exchange.

(c) \$2.50 or greater where the strike price is \$25.00 or less; provided, however, that the Exchange may not list \$2.50 intervals (e.g., \$12.50, \$17.50) for any class included within the \$1 Strike Program if the addition of \$2.50 intervals would cause the class to have strike price intervals that are \$0.50 apart.

(d) \$5.00 or greater where the strike price is greater than \$25.00.

(e) \$10.00 or greater where the strike price is greater than \$200, except as provided in paragraph (f) below.

(f) The Exchange may list series in intervals of \$5 or greater where the strike price is more than \$200 in up to five option classes on individual stocks. The Exchange may list \$5 strike prices on any other option classes designated by other securities exchange that employ a \$5 Strike Program.

(g) Notwithstanding any other provision regarding strike prices in this rule, Related non-Short Term Option series shall be opened during the week prior to the week that such Related non- Short Term Option series expire in the same manner as permitted in Rule 4.5(d) and in the same strike price intervals that are permitted in Rule 4.5(d)(5).

.02 When put option contracts or put and call option contracts are first opened for trading on an underlying security, the Exchange may open a series of put options contracts corresponding to each series of call option contracts open or to be opened for trading on the same underlying security.

.03 New series of options on an individual stock may be added until the beginning of the month in which the option contract will expire. Due to unusual market conditions, the Exchange, in its discretion, may add new series of options on an individual stock until the close of trading on the business day prior to expiration.

.04

(a) *\$2.50 Strike Price Program.* Pursuant to a program initially approved by the SEC in 1995, the Exchange may select up to 60 options classes on individual stocks for which the interval of strike prices will be \$2.50 where the strike price is greater than \$25 but less than \$50. In addition to those options selected by the Exchange, the strike price interval may be \$2.50 in any multiply-traded option once another exchange trading that option selects such option, as part of this program.

(b) In addition, on any option class that has been selected as part of the \$2.50 Strike Price Program pursuant to paragraph (a) above, the Exchange may list \$2.50 strike prices between \$50 and \$100, provided the \$2.50 strike prices between \$50 and \$100 are no more than \$10 from the closing price of the underlying stock in its primary market on the preceding day. For example, if an option class has been selected as part of \$2.50 Strike Price Program, and the underlying stock closes at \$48.50 in its primary market, the Exchange may list the \$52.50 strike price and the \$57.50 strike price on the next business day. If an underlying security closes at \$54, the Exchange may list the \$52.50 strike price, the \$57.50 strike price, and the \$62.50 strike price on the next business day.

(c) An option class shall remain in the \$2.50 Strike Price Program until otherwise designated by the Exchange and a decertification notice is sent to the Options Clearing Corporation.

.05 Notwithstanding Interpretation and Policy .01 above, the interval between strike prices may be \$0.50 or greater for options based on IPSs that correspond generally to the price and yield performance of 1/10th the value of the S&P 100 Index, and for options based on a security that

represents an interest in a registered investment company that corresponds generally to the price and yield performance of 1/100th the value of the Dow Jones Industrial Average.

.06 Notwithstanding Interpretation and Policy .01 above, the interval between strike prices may be \$1.00 or greater for options based on a security that represents an interest in a registered investment company that corresponds generally to the price and yield performance of the Nasdaq-100 Index.

.07

(a) Notwithstanding Interpretation and Policy .01 above, and except for options on Units covered under Interpretation and Policies .05 and .06 above, the interval between strike prices of series of options on Units, as defined under Interpretation and Policy .06 to Rule 4.3, will be \$1 or greater where the strike price is \$200 or less and \$5.00 or greater where the strike price is greater than \$200. For options on Units that are used to calculate a volatility index, the Exchange may open for trading \$0.50 strike price intervals as provided for in Interpretation and Policy .15 to this Rule 4.5.

(b) Notwithstanding Interpretation and Policy .01 and Interpretation and Policy .07(a) above, the interval between strike prices of series of options on Units of the Standard & Poor's Depository Receipts Trust ("SPY"), iShares S&P 500 Index ETF ("IVV"), PowerShares QQQ Trust ("QQQ"), iShares Russell 2000 Index Fund ("IWM"), and The DIAMONDS Trust ("DIA") will be \$1 or greater.

.08 Notwithstanding Interpretation and Policy .01 above, the interval between strike prices of series of options on Index Linked Securities, as defined under Interpretation and Policy .13 to Rule 4.3, will be \$1 or greater where the strike price is \$200 or less and \$5 or greater where the strike price is greater than \$200.

.09 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices of Mini-SPX option series shall be determined in accordance with Interpretation and Policy .11 to Rule 4.13.

.10 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for S&P 500 Dividend Index option series shall be determined in accordance with Interpretation and Policy .01(f) to Rule 4.13.

.11 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for GVZ option series shall be determined in accordance with Interpretation and Policy .01(g) to Rule 4.13.

.12 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for Mini-NDX option series shall be determined in accordance with Interpretation and Policy .01(a) and (h) to Rule 4.13.

.13 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for Mini-RUT option series shall be determined in accordance with Interpretation and Policy .01(i) to Rule 4.13.

.14 Notwithstanding Interpretation and Policy .01 above, the interval between strike prices of series of options on Trust Issued Receipts, including HOLDing Company Depository Receipts

(HOLDERS), as defined under Interpretation and Policy .07 to Rule 4.3, will be \$1 or greater where the strike price is \$200 or less and \$5 or greater where the strike price is greater than \$200.

.15 \$0.50 and \$1 Strike Price Intervals for Options Used to Calculate Volatility Indexes.
Notwithstanding Interpretation and Policy .01 above, the Exchange may open for trading series at \$0.50 or greater strike price intervals where the strike price is less than \$75 and \$1.00 or greater strike price intervals where the strike price is between \$75 and \$150 for options that are used to calculate a volatility index.

.16 Notwithstanding the requirements set forth in this Rule 4.5 and the Interpretations and Policies thereunder, the Exchange may list additional expiration months on options classes opened for trading on the Exchange if such expiration months are opened for trading on at least one other registered national securities exchange.

.17 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for Cboe S&P 500 AM/PM Basis option series shall be determined in accordance with Interpretation and Policy .01(e) to Rule 4.13.

.18 Mini Option Contracts.

(a) After an option class on a stock, ETF, TIR, ETN, and other Index-Linked Security with a 100 share deliverable has been approved for listing and trading on the Exchange, series of option contracts with a 10 share deliverable on that stock, ETF share, TIR, ETN and other Index-Linked Security may be listed for all expirations opened for trading on the Exchange. Mini-option contracts may currently be listed on SPDR S&P 500 (SPY), Apple, Inc. (AAPL), SPDR Gold Trust (GLD), Alphabet, Inc. (GOOGL) and Amazon.com Inc. (AMZN).

(b) Strike prices for mini-options shall be set at the same level as for standard options. For example, a call series strike price to deliver 10 shares of stock at \$125 per share has a total deliverable value of \$1250, and the strike price will be set at 125.

(c) No additional series of mini-options may be added if the underlying security is trading at \$90 or less. The underlying security must trade above \$90 for five consecutive days prior to listing mini-option contracts in an additional expiration month.

(d) The minimum price variation for bids and offers for mini-options shall be the same as permitted for standard options on the same security. For example, if a security participates in the Penny Pilot Program, mini-options on the same underlying security may be quoted in the same minimum increments, e.g., \$0.01 for all quotations in series that are quoted at less than \$3 per contract and \$0.05 for all quotations in series that are quoted at \$3 per contract or greater, \$0.01 for all SPY option series, and mini-options do not separately need to qualify for the Penny Pilot Program.

.19 Notwithstanding Interpretation and Policy .01 above, the intervals between strike prices for Cboe Short-Term Volatility Index (VXST) option series shall be determined in accordance with Interpretation and Policy .01(g) to Rule 4.13.

Rule 4.6. Adjustments

Options contracts are subject to adjustments in accordance with the Rules of the Options Clearing Corporation.

Rule 4.7. Select Provisions of Options Listing Procedures Plan

(a) The select provisions set forth in this Rule 4.7 were adopted by the Exchange and the other Sponsor Exchanges as a quote mitigation strategy and are codified in the Options Listing Procedures Plan (“OLPP”). A complete copy of the current OLPP may be accessed at: <http://www.optionsclearing.com/clearing/industry-services/olpp.jsp>.

(b) The exercise price of each option series listed by the Exchange shall be fixed at a price per share which is reasonably close to the price of the underlying equity security, Exchange Traded Fund (“ETF” and referred to as a “Unit” in Rule 4.3) or Trust Issued Receipt (“TIR”) at or about the time the Exchange determines to list such series. Additionally:

(1) Exercise Price Range Limitations. Except as provided in subparagraphs (b)(2) through (4) below, if the price of the underlying security is less than or equal to \$20, the Exchange shall not list new option series with an exercise price more than 100% above or below the price of the underlying security. However, the foregoing restriction shall not prohibit the listing of at least three exercise prices per expiration month in an option class. Except as provided in Rule 4.5(d)(4), if the price of the underlying security is greater than \$20, the Exchange shall not list new option series with an exercise price more than 50% above or below the price of the underlying security. The price of the underlying security is measured by:

(A) for intra-day add-on series and next-day series additions, the daily high and low of all prices reported by all national securities exchanges;

(B) for new expiration months, the daily high and low of all prices reported by all national securities exchanges on the day the Exchange determines its preliminary notification of new series;

(C) for option series to be added as a result of pre-market trading, the most recent share price reported by all national securities exchanges between 8:45 a.m. and 9:30 a.m.; and

(D) for option series to be added based on trading following regular trading hours, the most recent share price reported by all national securities exchanges between 4:15 p.m. and 6:00 p.m.

(2) The series exercise price range limitations contained in subparagraph (1) above do not apply with regard to: (A) the listing of \$1 strike prices in option classes participating in the \$1 Strike Program. Instead, the Exchange shall be permitted to list \$1 strike prices to the fullest extent as permitted under its rules for the \$1 Strike Program; or (B) the listing of series of Flexible Exchange Options.

(3) The Exchange may designate up to five option classes to which the series exercise price range may be up to 100% above and below the price of the underlying security (which underlying security price shall be determined in accordance with subparagraph (1) above). Such designations shall be made on an annual basis and shall not be removed during the calendar year unless the option class is delisted by the Exchange, in which case the Exchange may designate another option class to replace the delisted class. If a designated option class is delisted by the Exchange but continues to trade on at least one options exchange, the option class shall be subject to the limitations on listing new series set forth in subparagraph (1) above unless designated by another exchange.

(4) If the Exchange has designated five option classes pursuant to subparagraph (3) above, and requests that one or more additional option classes be excepted from the limitations on listing new series set forth in subparagraph (1) above, the additional option class(es) shall be so designated upon the unanimous consent of all exchanges that trade the option class(es). Additionally pursuant to the Exchanges request, the percentage range for the listing of new series may be increased to more than 100% above and below the price of the underlying security for an option class, by the unanimous consent of all exchanges that trade the designated option class.

Exceptions for an additional class or for an increase of the exercise price range shall apply to all standard expiration months existing at the time of the vote, plus the next standard expiration month to be added, and also to any non-standard expirations that occur prior to the next standard monthly expiration.

(5) The provisions of this paragraph (b) shall not permit the listing of series that are otherwise prohibited by the rules of the Exchange or the OLPP. To the extent the rules of the Exchange permit the listing of new series that are otherwise prohibited by the provisions of the OLPP, the provisions of the OLPP shall govern.

(6) The Exchange may list an options series that is listed by another options exchange, provided that at the time such series was listed it was not prohibited under the provisions of the OLPP or the rules of the exchange that initially listed the series.

Rule 4.8. Single Stock Dividend Options

(a) The Exchange may list single stock dividend options (SSDO) series that overlie the ordinary cash dividends paid by an issuer underlying a stock which is eligible for options trading on the Exchange. An SSDO will reflect ten times the ordinary cash dividends paid by an issuer accumulated over a one-year period (accrual period). The accrual period runs from the business day after the third Friday of December through the third Friday of the following December. The Exchange may list an SSDO with an accrual period of less than a year (e.g., six months or one quarter), but in no event will an SSDO have an accrual period of less than a quarter of a year. For an SSDO with an accrual period of less than a year, the accrual period runs from the business day after the third Friday of the month beginning the accrual period through the third Friday of the month ending the accrual period.

(b) *Exercise Style.* SSDO options will have European-style exercise and be P.M.-settled. Writers of SSDOs are subject to assignment only at expiration. The last trading day of an SSDO will be the business day prior to Expiration of the specific SSDO series.

(c) *Strike Price Intervals.* The interval between strike prices may be 1 point or greater where the strike price is \$200 or less and 2.5 points or greater where the strike price is greater than \$200.

(d) *Initial and Additional Series.* In-the-money, at-the-money, and out-of-the-money strike prices will be listed initially for an SSDO for a specific accrual period. The Exchange may add new strike prices as the expected value of the accrued dividends for the underlying issuer moves or upon request by an Exchange Trading Permit Holder.

(e) *Premium Quotation.* SSDOs will be quoted and traded in decimals. Each point of a SSDO price equals \$100. The minimum price variation for bids and offers shall be established on a class-by-class basis by the Exchange and shall not be less than \$0.01 (\$1.00).

(f) *Expiration Months.* The Exchange may list up to five annual contract months that expire in December in different years for any single stock underlying an SSDO and up to ten contract months for accrual periods of less than a year. Near-term SSDO options reflect dividends accumulating in the then-current accrual period. All other SSDO options (i.e., contracts listed for trading that are not in the then-current accrual period) reflect dividends expected in comparable accrual periods beyond the current accrual period.

(g) *Position and Exercise Limits.* Position and exercise limits for SSDOs shall be the same as those for standard options overlying the same underlying stock. Near-term positions in SSDOs will be aggregated with longer-dated positions in SSDOs with the same underlying stock for position and exercise limit purposes. Exemptions may be available for certain qualified hedging strategies. Positions in SSDOs will not be aggregated with positions in the ordinary options overlying the stock of the issuer underlying the SSDOs. FLEX options positions on an SSDO will be aggregated with the non-FLEX positions for that SSDO.

(h) *Settlement.* The exercise-settlement value of an SSDO is ten (10) times the ordinary cash dividends paid by the issuer accumulated over the accrual period ending on the last business day before the Expiration Date. The exercise-settlement amount is equal to the difference between the exercise settlement value and the exercise price of the option, multiplied by \$100. Exercise will result in delivery of cash on the business day following expiration.

(i) *FLEX Eligibility.* The Exchange designates SSDOs as eligible for trading as FLEX Options as provided for in Chapter 4, Section C.

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