

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * <input type="text" value="18"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2011"/> - * <input type="text" value="080"/> Amendment No. (req. for Amendments *) <input type="text"/>
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Proposed Rule Change by Chicago Board Options Exchange
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/> Extension of Time Period for Commission Action * <input type="text"/> <small>☐</small>			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)		

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description
Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked *).

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

First Name * Last Name *
 Title *
 E-mail *
 Telephone * 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 officer.

Date
 By Senior Attorney / Assistant Secretary
(Name *) (Title *)

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

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information (required)

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

Exhibit 1 - Notice of Proposed Rule Change (required)

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

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

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Exhibit Sent As Paper Document

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

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

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

Exhibit 4 - Marked Copies

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

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item 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) Chicago Board Options Exchange, Incorporated (“CBOE” or “Exchange”) proposes to amend its rules to retire a pilot program and to harmonize CBOE’s rules regarding listing expirations with the existing rules of other exchanges. The text of the proposed rule change is provided below with additions underlined and deletions [bracketed].

(b) Not applicable.

(c) Not applicable.

Chicago Board Options Exchange, Incorporated
Rules

* * * * *

Rule 5.5—Series of Option Contracts Open for Trading

RULE 5.5

(a) No change.

(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 [usually will open three series of options for each expiration month in that class]. 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 [, with at least one strike price above and one strike price below the price 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 [substantially] 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) – (e) No change.

...Interpretations and Policies:

.01 - .02 No change.

.03 Reserved. [Except for Short Term Option Series, Quarterly Options Series, and Delayed Start Option Series, the Exchange usually will open four expiration months for each class of options open for trading on the Exchange: the first two being the two nearest months, regardless of the quarterly cycle on which that class trades; the third and fourth being the next two months of the quarterly cycle previously designated by the Exchange for that specific class. (For example, if the Exchange listed, in late April, a new stock option on a January-April-July-October quarterly cycle, the Exchange would list the two nearest term months (May and June) and the next two expiration months of the cycle (July and October).) When the May series expires, the Exchange would add January series. When the June series expires, the Exchange would add August series as the next nearest month, and would not add April.)]

.04 - 17 No change.

.18 Reserved. [Additional Expiration Months Pilot Program (“Pilot Program”). For a Pilot Program expiring on October 31, 2011, the Exchange may select up to 20 options classes for which it may list up to two (2) additional expiration months in addition to the expiration months the Exchange currently lists pursuant to Interpretation and Policy .03 to this Rule 5.5. Additional expiration months listed pursuant to this Interpretation and Policy .08 will be the nearest months that were not previously listed. The Exchange may also list additional expiration months for option classes that are selected by other securities exchanges that employ a similar program under their respective rules.]

.19 No change.

* * * * *

2. Procedures of the Self-Regulatory Organization

(a) The proposed rule change was approved by the Exchange’s Office of the Chairman pursuant to delegated authority on August 16, 2011.

(b) Please refer questions and comments on the proposed rule change to Joanne Moffic-Silver, General Counsel, CBOE, 400 South LaSalle, Chicago, IL 60605, (312) 786-7462 or to Jenny Klebes at (312) 786-7466.

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

(a) Purpose

The purpose of the proposed rule change is to retire the Additional Expiration Months Pilot Program (“Pilot Program”) and to amend CBOE’s rules regarding listing expirations. This filing is based on the existing rules of other options exchanges.¹

CBOE Rules Governing Listing of Expirations

Pursuant to Interpretation and Policy .03 to Rule 5.5, CBOE typically opens four expiration months for each class of options open for trading on the Exchange: the first two being the two nearest months, regardless of the quarterly cycle on which that class trades; the third and fourth being the next two months of the quarterly cycle previously designated by the Exchange for that specific class. CBOE does not believe that Rule 5.5.03 limits the maximum number of expirations that may be listed. Rules 5.5(a) and 5.5(c) provide CBOE with the flexibility to add additional expirations, which the Exchange has previously done.

Notwithstanding this position and for competitive reasons, in 2010 the Exchange established the Pilot Program pursuant to which CBOE could list up to an additional two expiration months, for a total of six expiration months for each class of options open for trading on the Exchange.² The filing to establish the Pilot Program was substantially similar in all material respects to a proposal of the International Securities Exchange, LLC (“ISE”).³

¹ See NASDAQ Options Market (“NOM”) Chapter IV, Section 6 (Series of Options Contracts Option for Trading) and NASDAQ OMX PHLX, LLC (“PHLX”) Rule 1012 (Series of Options Listed for Trading). See also Securities Exchange Act Release Nos. 57478 (March 12, 2008), 73 FR 14521 (March 18, 2008) (SR-NASDAQ-2007-004 and NASDAQ -2007-080) and 63700 (January 11, 2011) 76 FR 2931 (January 18, 2011) (SR-PHLX-2011-04). The PHLX filing was based on NOM’s existing rules.

² See Securities Exchange Act Release No. 63185 (October 27, 2010), 75 FR 67419 (November 2, 2010) (SR-CBOE-2010-97). As stated in footnote 5 at page 67419, CBOE does not believe that Rule 5.5.03 limits the maximum number of expiration months that may be listed. Rule 5.5(a) and 5.5(c) provide CBOE with the flexibility to add additional expiration months, which the Exchange has previously done. By establishing the Additional Series Pilot Program, CBOE did not limit its existing ability.

³ See Securities Exchange Act Release No. 63104 (October 14, 2010), 75 FR 64773 (October 20, 2010) (SR-ISE-2010-91). Unlike CBOE’s Rule 5.5, ISE believed that ISE Rule 504(e) hard coded an upper limit on the maximum number of expirations that may be listed per class.

After CBOE and ISE established their respective Pilot Programs, ISE submitted a filing in response to a PHLX filing regarding the listing of expirations.⁴ In the PHLX filing, PHLX amended its rules that so that it could open “at least one expiration month” for each class of standard options open for trading on PHLX.⁵ PHLX stated in its filing that this amendment was “based directly on the recently approved rules of another options exchange, namely Chapter IV, Sections 6 and 8” of NOM. Since PHLX’s rules did not hard code an upper limit on the maximum number of expirations that may be listed per class, ISE believed that PHLX (and NOM) had the ability to list expirations that ISE would not be able to currently list under its rules. As a result, ISE amended its rules by adding new Supplementary Material .10 to ISE Rule 504 and Supplementary Material to .04 to ISE Rule 2009 to permit ISE to list additional expiration months on options classes opened for trading on ISE if such expiration months are opened for trading on at least one other national securities exchange.⁶

Because CBOE had adopted a Pilot Program similar to ISE’s, CBOE adopted new Interpretation and Policy .19 to Rule 5.5 and new Interpretation and Policy .12 to Rule 24.9 that permits CBOE to 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 national securities exchange.⁷

Retire Additional Expiration Months Pilot and Adopt Amended Rules

When CBOE originally established the Pilot Program, the Exchange believed that it had the ability to list more than four expirations per class. Another exchange with a similar

⁴ See Securities Exchange Act Release No. 64343 (April 26, 2011), 76 FR 24546 (May 2, 2011) (SR-ISE-2011-26).

⁵ See *id.* at 24546-24547.

⁶ See *id.* at 24547.

⁷ See Securities Exchange Act Release No. 64614 (June 7, 2011), 76 FR 34278 (June 13, 2011) (SR-CBOE-2011-053).

expirations listing rule, however, interpreted its rule provisions more restrictively. As a result, CBOE established the Pilot Program for competitive reasons. Now that CBOE has the ability to match the expiration listings of other exchanges⁸ (that may exceed six expirations and may occur on a regular basis) the Exchange believes that the Pilot Program is no longer necessary and is proposing to retire it. To affect this change, the Exchange is proposing to delete Interpretation and Policy .18 to Rule 5.5, which sets forth the terms of the Pilot Program, which is currently scheduled to expire on October 31, 2011.

In addition, CBOE's ability to match the expirations listed by other exchanges is set forth in Interpretation and Policy .19 to Rule 5.5. This provision, however, only provides CBOE with the ability to match expirations initiated by other options exchanges. To encourage competition and to place CBOE on a level playing field, the Exchange should have the same ability as PHLX and NOM to initiate expirations. Therefore, CBOE is proposing to harmonize its rules with the rules of PHLX and NOM by clarifying that CBOE will open at least one expiration month and one series of for each class open for trading on the Exchange. To affect this change, the Exchange is proposing to amend the text of Rule 5.5(b) to track the rule text of NOM Chapter IV, Section 6 and PHLX Rule 1012 and to delete Interpretation and Policy .03 to Rule 5.5.

Finally, the Exchange is proposing to slightly modify Rule 5.5 regarding the opening of additional series. Specifically, the Exchange proposes to amend Rule 5.5(c) to permit the listing of additional series when (among other reasons) the market price of the underlying stock moves more than five strike prices from the initial exercise price or prices.⁹ Currently, Rule 5.5(c)

⁸ See Rule 5.5.19.

⁹ Rule 5.5(c) also permits CBOE to add additional series of options of the same class when the Exchange deems it necessary to maintain an orderly market and to meet customer demand. These "additional series" provisions are similar to existing provisions in NOM Chapter IV, Section 6 and PHLX Rule 1012.

permits the listing of additional series when the market price of the underlying stock moves substantially from the initial exercise price or prices. This proposed rule change again tracks PHLX and NOM's existing rule text.

The Exchange believes the proposed rule change is proper, and indeed necessary, in light of the need to have rules that do not put the Exchange at a competitive disadvantage. CBOE's proposal puts the Exchange in the same position as PHLX and NOM and provides the Exchange with the same ability to initiate and match identical expirations across exchanges for products that are multiply-listed and fungible with one another. The Exchange believes that the proposed rule change should encourage competition and be beneficial to traders and market participants by providing them with a means to trade on the Exchange securities that are initiated by the Exchange and listed and traded on other exchanges.

(b) Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act")¹⁰ and the rules and regulations thereunder and, in particular, the requirements of Section 6(b) of the Act.¹¹ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹² requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, to remove impediments to and to perfect the mechanism for a free and open market and a national market system, and, in general, to protect investors and the public interest. In particular, the proposed rule change will permit the Exchange to accommodate requests made by its Trading Privilege Holders and other market participants to list additional expiration

¹⁰ 15 U.S.C. 78s(b)(1).

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(5).

months and thus encourages competition without harming investors or the public interest.

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

CBOE 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.

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

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

Item 6. Extension of Time Period for Commission Action

The Exchange does not consent to an extension of the time period specified in Section 19(b)(2) of the Exchange Act.

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

(a) The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A)¹³ of the Act and Rule 19b-4(f)(6) thereunder.¹⁴

(b) The Exchange asserts that the proposed rule change does not (i) significantly affect the protection of investors or the public interest, (ii) impose any significant burden on competition, and (iii) become operative for 30 days after the date on which it was filed, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. The proposed rule change is substantially similar in all material respects to existing rules of NOM and PHLX.¹⁵

The Exchange provided the Commission with written notice of its intent to file the proposal, along with a brief description and text of the proposal, at least five business days prior to the date of the filing of the proposed rule change as required by Rule 19b-4(f)(6). The

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 CFR 240.19b-4(f)(6).

Exchange requests that the Commission waive the 30-day operative delay period. Waiver of the operative delay is consistent with the protection of investors and the public interest in that doing so will encourage fair competition among the exchanges, by allowing the CBOE to initiate expirations in the same manner as other exchanges.

For the foregoing reasons, the Exchange believes the rule filing qualifies for expedited effectiveness as a “non-controversial” rule change under paragraph (f)(6) of Rule 19b-4 of the Act.

(c) Not applicable.

(d) Not applicable.

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

As discussed above, this proposed rule change is based on existing rules of PHLX and NOM.

Item 9. Exhibits

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

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-CBOE-2011-080

Dated: _____

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of Proposal to Retire Pilot Program and to Harmonize CBOE's Rules Regarding Listing Expirations with the Existing Rules of Other Exchanges

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 _____, 2011, the Chicago Board Options Exchange, Incorporated ("Exchange" or "CBOE") 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 proposes to amend its rules to retire a pilot program and to harmonize CBOE's rules regarding listing expirations with the existing rules of other exchanges. The text of the rule proposal is available on the Exchange's website (<http://www.cboe.org/legal>), at the Exchange's Office of the Secretary and at the Commission.

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).

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 self-regulatory organization 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 those 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 parts of such statements.

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

1. Purpose

The purpose of the proposed rule change is to retire the Additional Expiration Months Pilot Program (“Pilot Program”) and to amend CBOE’s rules regarding listing expirations. This filing is based on the existing rules of other options exchanges.⁵

CBOE Rules Governing Listing of Expirations

Pursuant to Interpretation and Policy .03 to Rule 5.5, CBOE typically opens four expiration months for each class of options open for trading on the Exchange: the first two being the two nearest months, regardless of the quarterly cycle on which that class trades; the third and fourth being the next two months of the quarterly cycle previously designated by the Exchange for that specific class. CBOE does not believe that Rule 5.5.03 limits the maximum number of expirations that may be listed. Rules 5.5(a) and 5.5(c) provide CBOE with the flexibility to add additional expirations, which the Exchange has previously done.

Notwithstanding this position and for competitive reasons, in 2010 the Exchange

⁵ See NASDAQ Options Market (“NOM”) Chapter IV, Section 6 (Series of Options Contracts Option for Trading) and NASDAQ OMX PHLX, LLC (“PHLX”) Rule 1012 (Series of Options Listed for Trading). See also Securities Exchange Act Release Nos. 57478 (March 12, 2008), 73 FR 14521 (March 18, 2008) (SR-NASDAQ-2007-004 and NASDAQ -2007-080) and 63700 (January 11, 2011) 76 FR 2931 (January 18, 2011) (SR-PHLX-2011-04). The PHLX filing was based on NOM’s existing rules.

established the Pilot Program pursuant to which CBOE could list up to an additional two expiration months, for a total of six expiration months for each class of options open for trading on the Exchange.⁶ The filing to establish the Pilot Program was substantially similar in all material respects to a proposal of the International Securities Exchange, LLC (“ISE”).⁷

After CBOE and ISE established their respective Pilot Programs, ISE submitted a filing in response to a PHLX filing regarding the listing of expirations.⁸ In the PHLX filing, PHLX amended its rules that so that it could open “at least one expiration month” for each class of standard options open for trading on PHLX.⁹ PHLX stated in its filing that this amendment was “based directly on the recently approved rules of another options exchange, namely Chapter IV, Sections 6 and 8” of NOM. Since PHLX’s rules did not hard code an upper limit on the maximum number of expirations that may be listed per class, ISE believed that PHLX (and NOM) had the ability to list expirations that ISE would not be able to currently list under its rules. As a result, ISE amended its rules by adding new Supplementary Material .10 to ISE Rule 504 and Supplementary Material to .04 to ISE Rule 2009 to permit ISE to list additional expiration months on options classes opened for trading on ISE if such expiration months are opened for trading on at least one other national securities exchange.¹⁰

Because CBOE had adopted a Pilot Program similar to ISE’s, CBOE adopted new Interpretation and Policy .19 to Rule 5.5 and new Interpretation and Policy .12 to Rule 24.9 that

⁶ See Securities Exchange Act Release No. 63185 (October 27, 2010), 75 FR 67419 (November 2, 2010) (SR-CBOE-2010-97). As stated in footnote 5 at page 67419, CBOE does not believe that Rule 5.5.03 limits the maximum number of expiration months that may be listed. Rule 5.5(a) and 5.5(c) provide CBOE with the flexibility to add additional expiration months, which the Exchange has previously done. By establishing the Additional Series Pilot Program, CBOE did not limit its existing ability.

⁷ See Securities Exchange Act Release No. 63104 (October 14, 2010), 75 FR 64773 (October 20, 2010) (SR-ISE-2010-91). Unlike CBOE’s Rule 5.5, ISE believed that ISE Rule 504(e) hard coded an upper limit on the maximum number of expirations that may be listed per class.

⁸ See Securities Exchange Act Release No. 64343 (April 26, 2011), 76 FR 24546 (May 2, 2011) (SR-ISE-2011-26).

⁹ See *id.* at 24546-24547.

¹⁰ See *id.* at 24547.

permits CBOE to 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 national securities exchange.¹¹

Retire Additional Expiration Months Pilot and Adopt Amended Rules

When CBOE originally established the Pilot Program, the Exchange believed that it had the ability to list more than four expirations per class. Another exchange with a similar expirations listing rule, however, interpreted its rule provisions more restrictively. As a result, CBOE established the Pilot Program for competitive reasons. Now that CBOE has the ability to match the expiration listings of other exchanges¹² (that may exceed six expirations and may occur on a regular basis) the Exchange believes that the Pilot Program is no longer necessary and is proposing to retire it. To affect this change, the Exchange is proposing to delete Interpretation and Policy .18 to Rule 5.5, which sets forth the terms of the Pilot Program, which is currently scheduled to expire on October 31, 2011.

In addition, CBOE's ability to match the expirations listed by other exchanges is set forth in Interpretation and Policy .19 to Rule 5.5. This provision, however, only provides CBOE with the ability to match expirations initiated by other options exchanges. To encourage competition and to place CBOE on a level playing field, the Exchange should have the same ability as PHLX and NOM to initiate expirations. Therefore, CBOE is proposing to harmonize its rules with the rules of PHLX and NOM by clarifying that CBOE will open at least one expiration month and one series of for each class open for trading on the Exchange. To affect this change, the Exchange is proposing to amend the text of Rule 5.5(b) to track the rule text of

¹¹ See Securities Exchange Act Release No. 64614 (June 7, 2011), 76 FR 34278 (June 13, 2011) (SR-CBOE-2011-053).

¹² See Rule 5.5.19.

NOM Chapter IV, Section 6 and PHLX Rule 1012 and to delete Interpretation and Policy .03 to Rule 5.5.

Finally, the Exchange is proposing to slightly modify Rule 5.5 regarding the opening of additional series. Specifically, the Exchange proposes to amend Rule 5.5(c) to permit the listing of additional series when (among other reasons) the market price of the underlying stock moves more than five strike prices from the initial exercise price or prices.¹³ Currently, Rule 5.5(c) permits the listing of additional series when the market price of the underlying stock moves substantially from the initial exercise price or prices. This proposed rule change again tracks PHLX and NOM's existing rule text.

The Exchange believes the proposed rule change is proper, and indeed necessary, in light of the need to have rules that do not put the Exchange at a competitive disadvantage. CBOE's proposal puts the Exchange in the same position as PHLX and NOM and provides the Exchange with the same ability to initiate and match identical expirations across exchanges for products that are multiply-listed and fungible with one another. The Exchange believes that the proposed rule change should encourage competition and be beneficial to traders and market participants by providing them with a means to trade on the Exchange securities that are initiated by the Exchange and listed and traded on other exchanges..

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act¹⁴ and the rules and regulations thereunder and, in particular, the requirements of Section 6(b) of the Act.¹⁵ Specifically, the Exchange believes the proposed rule change is consistent with the Section

¹³ Rule 5.5(c) also permits CBOE to add additional series of options of the same class when the Exchange deems is necessary to maintain an orderly market and to meet customer demand. These "additional series" provisions are similar to existing provisions in NOM Chapter IV, Section 6 and PHLX Rule 1012.

¹⁴ 15 U.S.C. 78s(b)(1).

¹⁵ 15 U.S.C. 78f(b).

6(b)(5)¹⁶ requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to prevent fraudulent and manipulative acts, to remove impediments to and to perfect the mechanism for a free and open market and a national market system, and, in general, to protect investors and the public interest. In particular, the proposed rule change will permit the Exchange to accommodate requests made by its Trading Privilege Holders and other market participants to list additional expiration months and thus encourages competition without harming investors or the public interest.

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

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

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

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

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

Because the foregoing proposed rule does not (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest, provided that the self-regulatory organization has given the Commission written notice of its intent to file 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 has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁷ and Rule 19b-4(f)(6) thereunder.¹⁸

¹⁶ 15 U.S.C. 78f(b)(5).

¹⁷ 15 U.S.C. 78s(b)(3)(A).

¹⁸ 17 CFR 240.19b-4(f)(6).

At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

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

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-CBOE-2011-080 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-CBOE-2011-080. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be

available for inspection and copying in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 am and 3:00 pm. Copies of such filing also will be available for inspection and copying at the principal office of the CBOE. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CBOE-2011-080 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.¹⁹

Dated: _____

Secretary

¹⁹ 17 CFR 200.30-3(a)(12).