



August 17<sup>th</sup> , 2012

Ms. Elizabeth M. Murphy  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-1090

RE: Release No. 34-67600; File No. SR-CBOE-2012-071; Self-Regulatory Organizations; Chicago Board Options Exchange Incorporated; Notice of Proposed Rule Change to Increase the Maximum Term for LEAPS to Fifteen Years

Dear Ms. Murphy,

KOR Trading LLC ("KOR")<sup>1</sup> appreciates the opportunity to comment on the above referenced rule filing submitted by the Chicago Board Options Exchange "CBOE" to increase the maximum term for Long-term Equity Anticipation Securities from the current 5 year term to 15 years.

KOR generally applauds exchanges which seek to expand product offerings for the benefit of investors, however cites two main concerns related to the CBOE proposal which KOR feels the Securities and Exchange Commission "Commission" should consider prior to adoption.

First, the rule filing lacks any data evidencing the actual need for extending the current LEAP terms by 300% to 15 years. Other than a scant reference of "numerous requests"<sup>2</sup> the filing is devoid of statistical data related to the actual proposed interest in the product. Moreover, the filing fails to cite the proposed classes in its proposal. KOR believes factual data must be of paramount consideration as a second and of far greater concern is the proposals impact to quote traffic and the associated downstream effects to the Options Price Reporting Authority "OPRA" that could be associated with this filing. KOR believes that while there may be slight interest in appeasing a very small faction of the market-place, the associated costs with disseminating and maintaining the data would place undue burden on the market-place.

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<sup>1</sup> KOR Trading LLC brings over 26 years of experience at helping individual investors and currently serves as a consultant to exchanges, brokers and advisors on structural, regulatory and political issues.

<sup>2</sup> Id at 2.

KOR therefore recommends that in addition to seeking a longer comment period, that the Commission seek to ascertain ample evidence regarding the purported benefits of the filing and why the currently approved FLEX options products would not meet the need contained within the filing along with a cost benefit analysis on current market-data structure prior to approval.

KOR Trading appreciates the opportunity to comment on the above proposal. Should you have any questions or require further information, please do not hesitate to contact Christopher Nagy at 402-312-7918.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Nagy", written in a cursive style.

Christopher Nagy  
President  
KOR Trading LLC