

## OMB APPROVAL

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Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 11	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No. * SR - 2014 - * 062 Amendment No. (req. for Amendments *) 1
Filing by Chicago Board Options Exchange Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934		
Initial * <input type="checkbox"/> Amendment * <input checked="" type="checkbox"/> Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/> Section 19(b)(3)(A) * <input type="checkbox"/> Section 19(b)(3)(B) * <input type="checkbox"/>	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 type="checkbox"/> 19b-4(f)(6)
Pilot <input type="checkbox"/> Extension of Time Period for Commission Action * <input type="checkbox"/> Date Expires * <input type="text"/>	Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) * <input type="checkbox"/> Section 806(e)(2) * <input type="checkbox"/>	
Exhibit 2 Sent As Paper Document <input type="checkbox"/> Exhibit 3 Sent As Paper Document <input type="checkbox"/>		Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * <input type="checkbox"/>
<b>Description</b> Provide a brief description of the action (limit 250 characters, required when Initial is checked *). <div style="border: 1px solid black; height: 40px; margin-top: 10px;"></div>		
<b>Contact Information</b> 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 * Angelo Last Name * Evangelou Title * Associate General Counsel E-mail * evangelou@cboe.com Telephone * (312) 786-7464 Fax <input type="text"/>		
<b>Signature</b> 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. <div style="text-align: right;">(Title *)</div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>           Date 10/24/2014            By Nicholas Still            (Name *)         </div> <div style="border: 1px solid black; width: 300px; height: 40px; margin-top: 10px;"></div> </div> <div style="margin-top: 10px;">         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.       </div> <div style="text-align: center; margin-top: 10px;">         Persona Not Validated - 1413476301789,       </div>		

SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549	
For complete Form 19b-4 instructions please refer to the EFFT website.	
<div>Form 19b-4 Information *</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	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.
<div>Exhibit 1 - Notice of Proposed Rule Change *</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	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)
<div>Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	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)
<div>Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications</div> <div><div>Add</div><div>Remove</div><div>View</div></div> <div>Exhibit Sent As Paper Document <input type="checkbox"/></div>	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.
<div>Exhibit 3 - Form, Report, or Questionnaire</div> <div><div>Add</div><div>Remove</div><div>View</div></div> <div>Exhibit Sent As Paper Document <input type="checkbox"/></div>	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.
<div>Exhibit 4 - Marked Copies</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	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.
<div>Exhibit 5 - Proposed Rule Text</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	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.
<div>Partial Amendment</div> <div><div>Add</div><div>Remove</div><div>View</div></div>	If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

PARTIAL AMENDMENT

Chicago Board Options Exchange, Incorporated (“CBOE” or the “Exchange”) submits this Amendment, constituting Amendment No. 1 to rule filing SR-CBOE-2014-062 in which the Exchange proposes to adopt rules related to Extended Trading Hours. The purposes of this Amendment No. 1 are (1) to amend the rule text in Exhibit 5 and the purpose and statutory basis sections of the Form 19b-4 and Exhibit 1 regarding foreign Trading Permit Holders and System access from foreign jurisdictions, (2) to amend the purpose section of the Form 19b-4 and Exhibit 1 regarding why VIX index values will not be calculated and disseminated during Extended Trading Hours and (3) to amend the purpose and statutory basis sections of the Form 19b-4 and Exhibit 1 regarding the number of available Trading Permits during Extended Trading Hours.

Foreign Trading Permit Holders

The Exchange proposes to amend the rule text for proposed Rule 3.4(b) on pages 117 – 118 of Exhibit 5 by deleting it in its entirety and replacing it with the following proposed Rule 3.4(b) and (c):

(b) It a Trading Permit Holder applicant is an individual not domiciled in, or organization not organized under the laws of, the United States, then to be approved as a Trading Permit Holder, the applicant must, in addition to satisfying the requirements in paragraph (a) above:

(i) be domiciled (with respect to individuals) in, or organized under the laws of (with respect to organizations), a foreign jurisdiction in which the Exchange has determined that (A) the applicant will be able to supply the Exchange with such information with respect to its relationship and dealings with the applicant as set forth in the Rules, (B) the Exchange will be permitted to examine the applicant’s books and records to verify the accuracy of any information so supplied, and (C) approval of such application will comply with all applicable laws, rules and regulations. This approval may be limited to one or more specified categories of Trading Permit Holders or Trading Permit Holder activities or be contingent upon the satisfaction of specified conditions by the applicant to the extent such limits or conditions are necessary to satisfy clauses (A) through (C);

(ii) be subject to the jurisdiction of the federal courts of the United States and the courts of the state of Illinois; and

(iii) prior to acting as agent for a customer from a foreign jurisdiction, obtain written consent from the customer that permits the Trading Permit Holder to provide information regarding the customer and the customer's trading activities to the Exchange in response to a regulatory request for information pursuant to the rules of the Exchange.

The Exchange may at any time determine that a Trading Permit Holder can no longer comply with this subparagraph (b). In that event, any such Trading Permit Holders will have three months from the date of that determination to comply with this Rule. If a Trading Permit Holder does not come into compliance during that time period, the Exchange may terminate the Trading Permit Holder's status as a Trading Permit Holder.

(c) To the extent a Trading Permit Holder requests that ability to directly access the System from a foreign jurisdiction, it must also satisfy the requirements in paragraph (b)(i) through (iii) above.

The Exchange also proposes to correct a mistaken reference in the rule text for proposed Rule 6.1A(e)(iii)(B) on page 121 of Exhibit 5 by deleting it in its entirety and replacing it with the following proposed Rule 6.1A(e)(iii)(B):

(B) During Extended Trading Hours, LMMs must comply with the continuous quoting obligation and other obligations of Market-Makers set forth in subparagraph (ii) above but not with the obligations in Rule 8.15A. LMMs do not receive a participation entitlement as set forth in Rules 6.45B and 8.15B during Extended Trading Hours.

The Exchange also proposes to amend the purpose section by deleting the carryover paragraph on pages 41 – 43 of the Form 19b-4 and the paragraph on pages 98 – 99 of Exhibit 1 and replacing each with the following paragraphs (with the applicable footnote numbers in each document and adjusting other footnote numbers as necessary):

In connection with the implementation of the hub for Trading Permit Holders, the proposed rule change amends the definition of Hybrid Trading System in Rule 1.1(aaa) to provide that the System will include any connectivity to the Exchange's trading platform

that is administered by or on behalf of the Exchange, such as a communications hub. Additionally, to accommodate the potential interest of non-U.S. persons or organizations to become Trading Permit Holders or Trading Permits Holders to access the System from foreign jurisdictions, the proposed rule change amends Rule 3.4 regarding foreign Trading Permit Holders. Currently, Rule 3.4 provides that a Trading Permit Holder that does not maintain an office in the United States responsible for preparing and maintaining financial and other reports required to be filed with the Commission and the Exchange must (i) prepare all such reports, and maintain a general ledger chart of account and any description thereof, in English and U.S. dollars, (ii) reimburse the Exchange for any expense incurred in connection with examination of the Trading Permit Holder to the extent that such expenses exceed the cost of examining a Trading Permit Holder located within the United States, and (iii) ensure the availability of an individual fluent in English knowledgeable in securities and financial matters to assist the representatives of the Exchange during examinations.<sup>1</sup>

The proposed rule change provides that if a Trading Permit Holder applicant is not domiciled in (with respect to individuals) or organized under the laws of (with respect to organizations) the United States, then, in order for the Exchange to approve the

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<sup>1</sup> The proposed rule change amends Rule 3.4(a)(iii) to provide that the individual referenced in that provision must be familiar with the Trading Permit Holder's securities business and financial matters, not just securities and financial matters in general. This more clearly states the intent of the rule to ensure that the individual is familiar with the appropriate matters and thus able to provide sufficient information to the Exchange as necessary. This proposed rule change is also consistent with CFE Rule 305B, upon which the proposed rule change is based.

applicant to be a Trading Permit Holder, the individual or organization must, in addition to the other conditions set forth in Rules 3.2 and 3.3<sup>2</sup>:

- be domiciled (with respect to individuals) in, or organized under the laws of (with respect to organizations), a foreign jurisdiction<sup>3</sup> in which the Exchange has determined that (i) the applicant will be able to supply the Exchange with such information with respect to its relationship and dealings with the applicant as set forth in the Rules, (ii) the Exchange will be permitted to examine the applicant's books and records to verify the accuracy of any information so supplied, and (iii) approval of such application will comply with all applicable laws, rules and regulations. This approval may be limited to one or more specified categories of Trading Permit Holders or Trading Permit Holder activities or be contingent upon the satisfaction of specified conditions by the applicant to the extent such limits or conditions are necessary to satisfy clauses (i) through (iii);
- be subject to the jurisdiction of the federal courts of the United States and the courts of the state of Illinois, and
- prior to acting as agent for a customer from a foreign jurisdiction, obtain written consent from the customer that permits the individual or organization to

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<sup>2</sup> The proposed rule change also specifically imposes the requirements of Rule 3.4(a) on any Trading Permit Holder not domiciled in or organized under the laws of the United States.

<sup>3</sup> The proposed rule change allows the Exchange to determine at any time that a Trading Permit Holder no longer complies with certain proposed jurisdiction requirements in Rule 3.4 and provides such Trading Permit Holder three months following this determination to come into compliance with Rule 3.4. If that does not occur, the Exchange may terminate the Trading Permit Holder's status as a Trading Permit Holder.

provide information regarding the customer and the customer's trading activities to the Exchange in response to a regulatory request for information pursuant to the rules of the Exchange.<sup>4</sup>

The Exchange believes these additional requirements for foreign Trading Permit Holders are reasonable so that the Exchange is able to ensure it is in compliance with any regulatory requirements that apply to it in foreign jurisdictions in which Trading Permit Holders are located, to obtain all books, records, reports and other information regarding the Trading Permit Holders and their customers that is necessary to conduct its surveillances, and to provide it with jurisdiction over the Trading Permit Holders to enforce its rules.

The Exchange also proposes to amend the statutory basis section by deleting the last two sentences of the first paragraph on page 52 of the Form 19b-4 and the first paragraph on page 108 of Exhibit 1 and replacing them with the following:

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<sup>4</sup> The proposed rule change adds paragraph (c) to Rule 3.4 to provide that to the extent a Trading Permit Holder requests that ability to directly access the System from a foreign jurisdiction, it must also satisfy the requirements in paragraph (b)(i) through (iii) above. The Exchange has determined that foreign laws, rules and regulations related to exchange membership (that may restrict persons or entities domiciled in or organized under the laws of, as applicable, a foreign jurisdiction from, for example, supplying an exchange with certain trading information or providing an exchange with access to its books and records) apply in the same manner to persons or entities accessing an exchange from the applicable jurisdiction. For example, if an office of a Trading Permit Holder organization that is organized in the United States is located in a foreign jurisdiction, as a Trading Permit Holder it is authorized to access the System for trading. However, the laws of that jurisdiction may prevent the Exchange from obtaining necessary information related to the trading activity on the Exchange originating in such office (in accordance with proposed Rule 3.4(b)(i)). Therefore, the Exchange would deny this direct System access from such jurisdiction for the same purposes as it would not approve a Trading Permit Holder applicant domiciled in or organized under the laws of such jurisdiction. This is similar to the Exchange's authority under Rule 6.23A(e) to prescribe technical specifications (in this case, the location of the connection is a "specification") regarding the establishment of an electronic connection to the System.

Further, the proposed rule change related to foreign Trading Permit Holders, including the requirement that the Exchange may determine in which jurisdiction Trading Permit Holder applicants may be domiciled in or organized under (or from which a Trading Permit Holder may directly access the System) is consistent with Section 6(c)(3)(C) of the Act because it allows the Exchange to deny Trading Permit Holder applications of persons or entities that are unable to supply the Exchange with such information with respect to its relationship and dealings with such persons or entities and unable to permit the Exchange to examine their books and records due to the jurisdiction (and any applicable laws, rules and regulations of that jurisdiction) in which they are domiciled or under the laws of which they are organized (or from which Trading Permit Holders want to directly connect to the System). This proposed rule change will also promote compliance by the Exchange with regulatory requirements of governments and regulatory authorities outside of the United States related to exchange memberships and access. The proposed rule change enhances the Exchange's ability to satisfy its self-regulatory obligations by ensuring it is able to receive sufficient information to conduct its surveillances and investigations. Additionally, this proposed rule change is not unfairly discriminatory, as the proposed requirements apply in the same manner to any persons or entities located in each applicable foreign jurisdiction.

The Exchange also proposes to amend Item 8 by deleting the last paragraph of that Item on pages 57 – 58 of the Form 19b-4 and replacing it with the following:

Proposed Rule 3.4 is substantially similar to CFE Rule 305B, except that proposed Rule 3.4:



- excludes references to workstations, which are not applicable to CBOE, and instead adds the provision regarding direct access to the System, which is the comparable concept on CBOE (as workstations are what permits access to CFE);
- modifies the requirement regarding permitted jurisdictions to provide the Exchange with authority to approve or deny Trading Permit Holder applicants domiciled in or organized under the laws of foreign jurisdictions in accordance with Section 6(c)(3)(C) of the Act;
- uses the term Trading Permit Holder instead of Trading Privilege Holder;
- imposes certain requirements on Trading Permit Holders that do not maintain an office in the United States responsible for preparing and maintaining financial and other reports required to be filed with the Commission (which requirements the CFE rule imposes only on Trading Privilege Holders);
- applies to individual Trading Permit Holders, in addition to Trading Permit Holder organizations, which is permitted by CBOE's rules (the CFE rule only references Trading Privilege Holders organized under the laws of a foreign jurisdiction); and
- currently has a provision that also requires the Trading Permit Holder to reimburse the Exchange for any expense incurred in connection with examination of the Trading Permit Holder. The CFE rule does not contain a similar provision, but this provision is administrative, and thus the Exchange does not believe this difference to be material.

#### VIX Index Values

The Exchange proposes to amend the purpose section by adding the following paragraph after the first bulleted paragraph on page 30 of the Form 19b-4 and the first bulleted paragraph on page 86 of Exhibit 1 (with the heading “Index Values”):

CBOE is the index calculator for VIX. In that role, CBOE determines when and how VIX will be calculated. VIX is intended to represent the market’s expectation of S&P 500 volatility over the next 30 days. The accuracy of the calculation for VIX indicative (or spot) values depends upon the quality of bid and offer quotes for constituent SPX option series. As Extended Trading Hours is a new CBOE trading initiative that has not yet been implemented, CBOE cannot currently know that the SPX option quotes displayed during Extended Trading Hours will be sufficient to calculate accurate and meaningful VIX indicative values in the same manner it does during Regular Trading Hours. Therefore, CBOE has determined to not calculate VIX spot values during Extended Trading Hours. After the launch of Extended Trading Hours, to the extent CBOE as index calculator determines that SPX quotes during such trading session will support accurate VIX indicative values, CBOE may reconsider whether to calculate and disseminate these values during Extended Trading Hours (and would submit rule filings to amend the rules, as necessary).

#### Number of Trading Permits

The Exchange proposes to amend the purpose section by deleting the last two sentences of footnote 18 on page 11 of the Form 19b-4 and footnote 20 on page 67 of Exhibit 1 and replacing them with the following:

The Exchange intends to set the initial limit of Extended Trading Hours Trading Permits at 900 Market-Maker Trading Permits and 150 Electronic Access Trading Permits (the

same total number as available during Regular Trading Hours, with the exception that 150 Floor Broker Trading Permits are also available during Regular Trading Hours). Because there is no open outcry trading during Extended Trading Hours, Floor Broker Trading Permits are unnecessary during that trading session. The Exchange intends to issue a Regulatory Circular announcing these limits.

The Exchange also proposes to amend the statutory basis section by adding the following sentence after the first sentence of the first full paragraph on page 47 of the Form 19b-4 and the first full paragraph on page 103 of Exhibit 1:

The Exchange represents that it will make available the number of Trading Permits during Extended Trading Hours to comply with the provisions of Section 6(c)(4) of the Act.

#### ETH Access

The Exchange represents that it will work with the Options Clearing Corporation (“OCC”) to establish procedures in connection with on-boarding ETH Trading Permit Holders to ensure that ETH Trading Permit Holders only utilize clearing brokers that are properly authorized by OCC for operating during Extended Trading Hours.

Lastly, the Exchange represents that access to the ETH system requires a new log-in ID and that only approved ETH Trading Permit Holders are provided such IDs. Accordingly, the ETH platform is designed to allow the Exchange to restrict unauthorized access to the Extended Trading Hours system.