

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-71860; File No. SR-CBOE-2014-035)

April 3, 2014

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Fix Technical Errors

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on April 1, 2014, Chicago Board Options Exchange, Incorporated (the “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 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 the Substance of the Proposed Rule Change

The Exchange proposes to fix technical errors in its rules. The text of the proposed rule change is 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.

---

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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

1. Purpose

The Exchange proposes to make an administrative change to correct an inadvertent typographical error in Interpretation and Policy .03 in Rule 4.21. Additionally, the Exchange proposes to make an administrative change to correct the erroneous failure to delete Interpretation and Policy .01 from Exchange Rule 8.93. The Exchange proposes to make the proposed changes so the text properly reflects the intention of the Exchange to remove Rule 8.93 in its entirety and to fix the typographical error in Rule 4.21. Both the inadvertent typographical error and the erroneous failure to delete part of Rule 8.93 are explained below.

In Interpretation and Policy .03 of Rule 4.21, there is an inadvertent typographical error where the word “United” (as in “the United States of America”) was instead spelled as “Unites.” The Exchange is proposing to correct this erroneous typographical error to avoid any confusion and to better reflect the intention of the Exchange for this interpretation and policy to say “United States,” rather than “Unites States.”

The Exchange recently filed a rule change, SR-CBOE-2013-110, to eliminate the e-DPM program from the Exchange rules.<sup>3</sup> As part of that filing, there was an erroneous failure to delete Rule 8.93 in its entirety, unintentionally failing to remove Interpretation and Policy .01 from the corresponding rule. This error can be found in the remaining text of Rule 8.93 under the Interpretations and Policies section, where the phrase “[w]hen the underlying security for a class is in a limit up-limit down state, as defined in Rule 6.3A, e-DPMs shall have no quoting obligations in the class” was inadvertently not deleted along with the rest of Rule 8.93. The

---

<sup>3</sup> See Securities Exchange Act Release No. 34-71227 (Jan. 2, 2014), 79 FR 1398 (Jan. 8, 2014) (order approving SR-CBOE-2013-110).

Exchange is now proposing to amend this error to more accurately reflect the intention and practice of the Exchange and to avoid any confusion.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.<sup>4</sup> Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)<sup>5</sup> 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)<sup>6</sup> requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the proposed rule change is consistent with these provisions as it will more accurately reflect the intentions of the Exchange to eliminate Rule 8.93 and the corresponding e-DPM program and also correct the inadvertent typographical error in Interpretation and Policy .03 of Rule 4.21. There are no substantive changes being made in the proposed rule changes, and thus, the current practices of the Exchange will remain the same. The Exchange believes the

---

<sup>4</sup> 15 U.S.C. 78f(b).

<sup>5</sup> 15 U.S.C. 78f(b)(5).

<sup>6</sup> Id.

proposed rule changes will help to avoid confusion, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system.

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

CBOE does not believe that the proposed rule changes will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe the proposed rule changes impose any burden on intramarket competition because they applies [sic] to all Trading Permit Holders. Additionally, the Exchange does not believe the proposed rule change will impose any burden on intermarket competition as it is merely attempting to correct the erroneous failure to delete Rule 8.93 in its entirety and to correct a typographical error in Rule 4.21. The Exchange does not propose any substantive changes to the Exchange's operations or its rules that the Exchange believes could have any impact on competition (intermarket or intramarket).

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 Act<sup>7</sup> and Rule 19b-4(f)(6)<sup>8</sup> thereunder. At any time within 60 days of the filing of the

---

<sup>7</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>8</sup> 17 CFR 240.19b-4(f)(6).

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](mailto:rule-comments@sec.gov). Please include File Number SR-CBOE-2014-035 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-2014-035. 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 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. 20549-1090 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices 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-2014-035, 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.<sup>9</sup>

Kevin M. O'Neill  
Deputy Secretary

---

<sup>9</sup> 17 CFR 200.30-3(a)(12).