

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

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**Chicago Board Options Exchange, Incorporated
Rules**

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Rule 6.3. Trading Halts

(a)-(b) No Change.

...Interpretations and Policies:

.01-.06 No Change.

.07 The Exchange shall nullify any transaction that occurs: (a) during a trading halt in the affected option on the Exchange; or (b) with respect to equity options (including options overlying ETFs), during a regulatory halt as declared by the primary listing market for the underlying security.

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Rule 6.19. Reserved [Trade Nullification and Price Adjustment Procedure

A trade on the Exchange may be nullified or adjusted if the parties to the trade agree to the nullification or adjustment. A trade may be nullified or adjusted on the terms that all parties to a particular transaction agree, provided, however, that any trade that is nullified or adjusted pursuant to this Rule must be authorized by the Exchange prior to the nullification or adjustment. In addition, any trade that is adjusted pursuant to this Rule must be adjusted to a price that was permissible and in compliance with all Exchange and Securities and Exchange Commission Rules, as amended, at the time the original transaction was executed. The format and information required by the Exchange for this submission will be released by the Exchange via Regulatory Circular.]

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Rule 6.25. Nullification and Adjustment of Options Transactions including Obvious Errors

The Exchange may nullify a transaction or adjust the execution price of a transaction in accordance with this Rule. Unless otherwise stated, the provisions contained within this Rule are applicable to electronic transactions only. However, the determination as to whether a trade was executed at an erroneous price may be made by mutual agreement of the affected parties to a particular transaction. An electronic or open outcry trade may be

nullified or adjusted on the terms that all parties to a particular transaction agree, provided, however, that such agreement to nullify or adjust must be conveyed to the Exchange in a manner prescribed by the Exchange prior to 7:30 a.m. Central Time on the first trading day following the execution. It is considered conduct inconsistent with just and equitable principles of trade for any TPH to use the mutual adjustment process to circumvent any applicable Exchange rule, the Act or any of the rules and regulations thereunder.

(a) Definitions.

(1) Customer. For purposes of this Rule, a Customer shall not include any broker-dealer, Professional Customer, or Voluntary Professional Customer.

(2) Erroneous Sell/Buy Transaction. For purposes of this Rule, an “erroneous sell transaction” is one in which the price received by the person selling the option is erroneously low, and an “erroneous buy transaction” is one in which the price paid by the person purchasing the option is erroneously high.

(3) Official. For purposes of this Rule, an Official is an Officer of the Exchange or such other employee designee of the Exchange that is trained in the application of this Rule.

(4) Size Adjustment Modifier. For purposes of this Rule, the Size Adjustment Modifier will be applied to individual transactions as follows:

<u>Number of Contracts per Execution</u>	<u>Adjustment – TP Plus/Minus</u>
<u>1-50</u>	<u>N/A</u>
<u>51-250</u>	<u>2 times adjustment amount</u>
<u>251-1000</u>	<u>2.5 times adjustment amount</u>
<u>1001 or more</u>	<u>3 times adjustment amount</u>

(b) Theoretical Price. Upon receipt of a request for review and prior to any review of a transaction execution price, the “Theoretical Price” for the option must be determined. For purposes of this Rule, if the applicable option series is traded on at least one other options exchange, then the Theoretical Price of an option series is the last NBB just prior to the trade in question with respect to an erroneous sell transaction or the last NBO just prior to the trade in question with respect to an erroneous buy transaction unless one of the exceptions in sub-paragraphs (b)(1) through (3) below exists. For purposes of this provision, when a single order received by the Exchange is executed at multiple price levels, the last NBB and last NBO just prior to the trade in question would be the last NBB and last NBO just prior to the Exchange’s receipt of the order.

(1) Transactions at the Open. Except as provided in subparagraph (A) below, for a transaction occurring as part of the Opening Process (as defined in Rules 6.2—Trading Rotations, 6.2A—Rapid Opening Process (“ROS”), and 6.2B—Hybrid Opening System (“HOSS”)) the Exchange will determine the

Theoretical Price if there is no NBB or NBO for the affected series just prior to the erroneous transaction or if the bid/ask differential of the NBB and NBO just prior to the erroneous transaction is equal to or greater than the Minimum Amount set forth in the chart contained in sub-paragraph (b)(3) below. If the bid/ask differential is less than the Minimum Amount, the Theoretical Price is the NBB or NBO just prior to the erroneous transaction.

(A) For transactions occurring as part of HOSS in any index options series being used to calculate the final settlement price of a volatility index on the final settlement day, the Theoretical Price is the first quote after the transaction(s) in question that does not reflect the erroneous transaction(s), provided that the quote size is for at least the overall size of the HOSS opening trade; if the quote size is for less than the overall size of the HOSS opening trade, then paragraph (c) and (d) shall not apply.

(2) *No Valid Quotes.* The Exchange will determine the Theoretical Price if there are no quotes or no valid quotes for comparison purposes. Quotes that are not valid are all quotes in the applicable option series published at a time where the last NBB is higher than the last NBO in such series (a “crossed market”), quotes published by the Exchange that were submitted by either party to the transaction in question, and quotes published by another options exchange against which the Exchange has declared self-help.

(3) *Wide Quotes.* The Exchange will determine the Theoretical Price if the bid/ask differential of the NBB and NBO for the affected series just prior to the erroneous transaction was equal to or greater than the Minimum Amount set forth below and there was a bid/ask differential less than the Minimum Amount during the 10 seconds prior to the transaction. If there was no bid/ask differential less than the Minimum Amount during the 10 seconds prior to the transaction then the Theoretical Price of an option series is the last NBB or NBO just prior to the transaction in question, as set forth in paragraph (b) above.

<u>Bid Price at Time of Trade</u>	<u>Minimum Amount</u>
<u>Below \$2.00</u>	<u>\$0.75</u>
<u>\$2.00 to \$5.00</u>	<u>\$1.25</u>
<u>Above \$5.00 to \$10.00</u>	<u>\$1.50</u>
<u>Above \$10.00 to \$20.00</u>	<u>\$2.50</u>
<u>Above \$20.00 to \$50.00</u>	<u>\$3.00</u>
<u>Above \$50.00 to \$100.00</u>	<u>\$4.50</u>
<u>Above \$100.00</u>	<u>\$6.00</u>

(c) *Obvious Errors.*

(1) Definition. For purposes of this Rule, an Obvious Error will be deemed to have occurred when the Exchange receives a properly submitted filing where the execution price of a transaction is higher or lower than the Theoretical Price for the series by an amount equal to at least the amount shown below:

<u>Theoretical Price</u>	<u>Minimum Amount</u>
<u>Below \$2.00</u>	<u>\$0.25</u>
<u>\$2.00 to \$5.00</u>	<u>\$0.40</u>
<u>Above \$5.00 to \$10.00</u>	<u>\$0.50</u>
<u>Above \$10.00 to \$20.00</u>	<u>\$0.80</u>
<u>Above \$20.00 to \$50.00</u>	<u>\$1.00</u>
<u>Above \$50.00 to \$100.00</u>	<u>\$1.50</u>
<u>Above \$100.00</u>	<u>\$2.00</u>

(2) Time Deadline. A party that believes that it participated in a transaction that was the result of an Obvious Error must notify the Exchange's Help Desk in the manner specified from time to time by the Exchange in a circular distributed to TPHs. Such notification must be received by the Exchange's Help Desk within the timeframes specified below:

(A) Customer Orders. For an execution of a Customer order, a filing must be received by the Exchange within thirty (30) minutes of the execution, subject to sub-paragraph (C) below; and

(B) "Non-Customer" Orders. For an execution of any order other than a Customer order, a filing must be received by the Exchange within fifteen (15) minutes of the execution, subject to sub-paragraph (C) below.

(C) Linkage Trades. Any other options exchange will have a total of forty-five (45) minutes for Customer orders and thirty (30) minutes for non-Customer orders, measured from the time of execution on the Exchange, to file with the Exchange for review of transactions routed to the Exchange from that options exchange and executed on the Exchange ("linkage trades"). This includes filings on behalf of another options exchange filed by a third-party routing broker if such third-party broker identifies the affected transactions as linkage trades. In order to facilitate timely reviews of linkage trades the Exchange will accept filings from either the other options exchange or, if applicable, the third-party routing broker that routed the applicable order(s). The additional fifteen (15) minutes provided with respect to linkage trades shall only apply to the extent the options exchange that originally received and routed the order to the Exchange itself received a timely filing from the entering participant (i.e., within 30 minutes if a Customer order or 15 minutes if a non-Customer order).

(3) Official Acting on Own Motion. An Official may review a transaction believed to be erroneous on his/her own motion in the interest of maintaining a fair and orderly market and for the protection of investors. A transaction reviewed pursuant to this paragraph may be nullified or adjusted only if it is determined by the Official that the transaction is erroneous in accordance with the provisions of this Rule, provided that the time deadlines of sub-paragraph (c)(2) above shall not apply. The Official shall act as soon as possible after becoming aware of the transaction, and ordinarily would be expected to act on the same day that the transaction occurred. In no event shall the Official act later than 7:30 a.m. Central Time on the next trading day following the date of the transaction in question. Transactions adjusted or nullified under this provision cannot be reviewed by an Obvious Error Panel under paragraph (k) but can be appealed in accordance with paragraph (m) below; however, a determination by an Official not to review a transaction or determination not to nullify or adjust a transaction for which a review was conducted on an Official's own motion is not appealable. If a transaction is reviewed and a determination is rendered pursuant to another provision of this Rule, no additional relief may be granted under this provision.

(4) Adjust or Bust. If it is determined that an Obvious Error has occurred, the Exchange shall take one of the actions listed below. Upon taking final action, the Exchange shall promptly notify both parties to the trade electronically or via telephone.

(A) Non-Customer Transactions. Where neither party to the transaction is a Customer, the execution price of the transaction will be adjusted by the Official pursuant to the table below. Any non-Customer Obvious Error exceeding 50 contracts will be subject to the Size Adjustment Modifier defined in sub-paragraph (a)(4) above.

<u>Theoretical Price (TP)</u>	<u>Buy Transaction Adjustment – TP Plus</u>	<u>Sell Transaction Adjustment – TP Minus</u>
<u>Below \$3.00</u>	<u>\$0.15</u>	<u>\$0.15</u>
<u>At or above \$3.00</u>	<u>\$0.30</u>	<u>\$0.30</u>

(B) Customer Transactions. Where at least one party to the Obvious Error is a Customer, the trade will be nullified, subject to sub-paragraph (C) below.

(C) If any TPH submits requests to the Exchange for review of transactions pursuant to this rule, and in aggregate that TPH has 200 or more Customer transactions under review concurrently and the orders resulting in such transactions were submitted during the course of 2 minutes or less, where at least one party to the Obvious Error is a non-

Customer, the Exchange will apply the non-Customer adjustment criteria set forth in sub-paragraph (A) above to such transactions.

(d) Catastrophic Errors.

(1) Definition. For purposes of this Rule, a Catastrophic Error will be deemed to have occurred when the execution price of a transaction is higher or lower than the Theoretical Price for the series by an amount equal to at least the amount shown below:

<u>Theoretical Price</u>	<u>Minimum Amount</u>
<u>Below \$2.00</u>	<u>\$0.50</u>
<u>\$2.00 to \$5.00</u>	<u>\$1.00</u>
<u>Above \$5.00 to \$10.00</u>	<u>\$1.50</u>
<u>Above \$10.00 to \$20.00</u>	<u>\$2.00</u>
<u>Above \$20.00 to \$50.00</u>	<u>\$2.50</u>
<u>Above \$50.00 to \$100.00</u>	<u>\$3.00</u>
<u>Above \$100.00</u>	<u>\$4.00</u>

(2) Time Deadline. A party that believes that it participated in a transaction that was the result of a Catastrophic Error must notify the Exchange's Help Desk in the manner specified from time to time by the Exchange in a circular distributed to TPHs. For transactions occurring during regular trading hours, such notification must be received by the Exchange's Help Desk by 7:30 a.m. Central Time on the first trading day following the execution. For transactions occurring during extended trading hours, such notification must be received within 2 hours of the close of the extended trading hours session. For transactions in an expiring options series that take place on an expiration day, a party must notify the Exchange's Help Desk within 45 minutes after the close of trading that same day. Relief will not be granted under paragraph (d) if an Obvious Error Panel has previously rendered a decision with respect to the transaction(s) in question.

(3) Adjust or Bust. If an Official determines that a Catastrophic Error has not occurred, the Trading Permit Holder will be subject to a charge of \$5,000. If it is determined that a Catastrophic Error has occurred, the Exchange shall take action as set forth below. Upon taking final action, the Exchange shall promptly notify both parties to the trade electronically or via telephone. In the event of a Catastrophic Error, the execution price of the transaction will be adjusted by the Official pursuant to the table below. Any Customer order subject to this sub-paragraph will be nullified if the adjustment would result in an execution price higher (for buy transactions) or lower (for sell transactions) than the Customer's limit price.

<u>Theoretical Price (TP)</u>	<u>Buy Transaction</u>	<u>Sell Transaction</u>
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	<u>Adjustment – TP Plus</u>	<u>Adjustment – TP Minus</u>
<u>Below \$2.00</u>	<u>\$0.50</u>	<u>\$0.50</u>
<u>\$2.00 to \$5.00</u>	<u>\$1.00</u>	<u>\$1.00</u>
<u>Above \$5.00 to \$10.00</u>	<u>\$1.50</u>	<u>\$1.50</u>
<u>Above \$10.00 to \$20.00</u>	<u>\$2.00</u>	<u>\$2.00</u>
<u>Above \$20.00 to \$50.00</u>	<u>\$2.50</u>	<u>\$2.50</u>
<u>Above \$50.00 to \$100.00</u>	<u>\$3.00</u>	<u>\$3.00</u>
<u>Above \$100.00</u>	<u>\$4.00</u>	<u>\$4.00</u>

(e) Significant Market Events.

(1) Definition. For purposes of this Rule, a Significant Market Event will be deemed to have occurred when: criterion (A) below is met or exceeded or the sum of all applicable event statistics, where each is expressed as a percentage of the relevant threshold in criteria (A) through (D) below, is greater than or equal to 150% and 75% or more of at least one category is reached, provided that no single category can contribute more than 100% to the sum and any category contributing more than 100% will be rounded down to 100%. All criteria set forth below will be measured in aggregate across all exchanges.

(A) Transactions that are potentially erroneous would result in a total Worst-Case Adjustment Penalty of \$30,000,000, where the Worst-Case Adjustment Penalty is computed as the sum, across all potentially erroneous trades, of:

(i) \$0.30 (i.e., the largest Transaction Adjustment value listed in sub-paragraph (e)(3)(A) below); times

(ii) the contract multiplier for each traded contract; times

(iii) the number of contracts for each trade; times

(iv) the appropriate Size Adjustment Modifier for each trade, if any, as defined in sub-paragraph (e)(3)(A) below.

(B) Transactions involving 500,000 options contracts are potentially erroneous;

(C) Transactions with a notional value (i.e., number of contracts traded multiplied by the option premium multiplied by the contract multiplier) of \$100,000,000 are potentially erroneous;

(D) 10,000 transactions are potentially erroneous.

(2) Coordination with Other Options Exchanges. To ensure consistent application across options exchanges, in the event of a suspected Significant Market Event, the Exchange shall initiate a coordinated review of potentially erroneous transactions with all other affected options exchanges to determine the full scope of the event. When this paragraph is invoked, the Exchange will promptly coordinate with the other options exchanges to determine the appropriate review period as well as select one or more specific points in time prior to the transactions in question and use one or more specific points in time to determine Theoretical Price. Other than the selected points in time, if applicable, the Exchange will determine Theoretical Price in accordance with paragraph (b) above.

(3) Adjust or Bust. If it is determined that a Significant Market Event has occurred then, using the parameters agreed as set forth in sub-paragraph (e)(2) above, if applicable, an Official will determine whether any or all transactions under review qualify as Obvious Errors. The Exchange shall take one of the actions listed below with respect to all transactions that qualify as Obvious Errors pursuant to sub-paragraph (c)(1) above. Upon taking final action, the Exchange shall promptly notify both parties to the trade electronically or via telephone.

(A) The execution price of each affected transaction will be adjusted by an Official to the price provided below unless both parties agree to adjust the transaction to a different price or agree to bust the trade. In the context of a Significant Market Event, any error exceeding 50 contracts will be subject to the Size Adjustment Modifier defined in sub-paragraph (a)(4) above.

<u>Theoretical Price (TP)</u>	<u>Buy Transaction Adjustment – TP Plus</u>	<u>Sell Transaction Adjustment – TP Minus</u>
<u>Below \$3.00</u>	<u>\$0.15</u>	<u>\$0.15</u>
<u>At or above \$3.00</u>	<u>\$0.30</u>	<u>\$0.30</u>

(B) Where at least one party to the transaction is a Customer, the trade will be nullified if the adjustment would result in an execution price higher (for buy transactions) or lower (for sell transactions) than the Customer's limit price.

(4) Nullification of Transactions. If the Exchange, in consultation with other options exchanges, determines that timely adjustment is not feasible due to the extraordinary nature of the situation, then the Exchange will nullify some or all transactions arising out of the Significant Market Event during the review period selected by the Exchange and other options exchanges consistent with this paragraph. To the extent the Exchange, in consultation with other options exchanges, determines to nullify less than all transactions arising out of the

Significant Market Event, those transactions subject to nullification will be selected based upon objective criteria with a view toward maintaining a fair and orderly market and the protection of investors and the public interest.

(5) *Final Rulings.* With respect to rulings made pursuant to this paragraph, the number of affected transactions is such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest. Accordingly, rulings by the Exchange pursuant to this paragraph are non-appealable.

(f) *Trading Halts.* The Exchange shall nullify any transaction that occurs during a trading halt in the affected option on the Exchange pursuant to Rule 6.3.

(g) *Erroneous Print in Underlying.* An electronic or open outcry trade resulting from an erroneous print(s) disseminated by the underlying market that is later nullified by that underlying market shall be adjusted or busted as set forth in sub-paragraph (c)(4) of this Rule, provided a party notifies the Exchange's Help Desk in a timely manner as set forth below. For purposes of this paragraph, a trade resulting from an erroneous print(s) shall mean any options trade executed during a period of time for which one or more executions in the underlying security are nullified and for one second thereafter. If a party believes that it participated in an erroneous transaction resulting from an erroneous print(s) pursuant to this paragraph it must notify the Exchange's Help Desk within the timeframes set forth in sub-paragraph (c)(2) above, with the allowed notification timeframe commencing at the time of notification by the underlying market(s) of nullification of transactions in the underlying security. If multiple underlying markets nullify trades in the underlying security, the allowed notification timeframe will commence at the time of the first market's notification. For the purposes of this paragraph, the underlying (which includes, but is not limited to, the underlying or related ETF(s), HOLDRS(s) and/or index value(s), and/or related futures product(s)) and the relevant underlying market(s) will be designated by the Exchange and announced to the Trading Permit Holders via Regulatory Circular. To qualify for consideration as an "underlying:" (A) the ETF, HOLDRS or index option class and related instrument must be derived from or designed to track the same underlying index; or (B) in the case of S&P 100-related options, the options class and related instrument must be derived from or designed to track the S&P 100 Index or the S&P 500 Index.

(h) *Erroneous Quote in Underlying.* A trade resulting from an erroneous quote(s) in the underlying security shall be adjusted or busted as set forth in sub-paragraph (c)(4) of this Rule, provided a party notifies the Exchange's Help Desk in a timely manner as set forth below. An erroneous quote occurs when the underlying security has a width of at least \$1.00 and has a width at least five times greater than the average quote width for such underlying security during the time period encompassing two minutes before and after the dissemination of such quote. For purposes of this paragraph, the average quote width shall be determined by adding the quote widths of sample quotations at regular 15-second intervals during the four-minute time period

referenced above (excluding the quote(s) in question) and dividing by the number of quotes during such time period (excluding the quote(s) in question). If a party believes that it participated in an erroneous transaction resulting from an erroneous quote(s) pursuant to this paragraph it must notify the Exchange's Help Desk in accordance with sub-paragraph (c)(2) above. For the purposes of this paragraph, the underlying (which includes, but is not limited to, the underlying or related ETF(s), HOLDERS(s) and/or index value(s), and/or related futures product(s)) and the relevant underlying market(s) will be designated by the Exchange and announced to the Trading Permit Holders via Regulatory Circular. To qualify for consideration as an "underlying:" (A) the ETF, HOLDERS or index option class and related instrument must be derived from or designed to track the same underlying index; or (B) in the case of S&P 100-related options, the options class and related instrument must be derived from or designed to track the S&P 100 Index or the S&P 500 Index.

(i) *Stop (and Stop-Limit) Order Trades Triggered by Erroneous Trades.*

Transactions resulting from the triggering of a stop or stop-limit order by an erroneous trade in an option contract shall be nullified by the Exchange, provided a party notifies the Exchange's Help Desk in a timely manner as set forth below. If a party believes that it participated in an erroneous transaction pursuant to this paragraph it must notify the Exchange's Help Desk within the timeframes set forth in sub-paragraph (c)(2) above, with the allowed notification timeframe commencing at the time of notification of the nullification of transaction(s) that triggered the stop or stop-limit order.

(j) *Linkage Trades.* If the Exchange routes an order pursuant to the Intermarket Options Linkage Plan that results in a transaction on another options exchange (a "Linkage Trade") and such options exchange subsequently nullifies or adjusts the Linkage Trade pursuant to its rules, the Exchange will perform all actions necessary to complete the nullification or adjustment of the Linkage Trade.

(k) *Obvious Error Panel.*

(1) Composition. An Obvious Error Panel will be comprised of at least one (1) member of the Exchange's staff designated to perform Obvious Error Panel functions and four (4) Trading Permit Holders. Fifty percent of the number of Trading Permit Holders on the Obvious Error Panel must be directly engaged in market making activity and fifty percent of the number of Trading Permit Holders on the Obvious Error Panel must act in the capacity of a non-DPM floor broker.

(2) Scope of Review. If a party affected by a determination made under paragraph (c) so requests within the time permitted in paragraph (k)(3) below, an Obvious Error Panel will review decisions made under this Rule, including whether an obvious error occurred, whether the correct Theoretical Price was used, and whether the correct adjustment was made at the correct price. A party may also request that the Obvious Error Panel provide relief as required in this Rule in cases where the party failed to provide the notification required in paragraph (c)(2) and an extension was not granted, but unusual circumstances

must merit special consideration. A party cannot request review by an Obvious Error Panel of determinations by a CBOE Official made pursuant to paragraph (c)(3) of this Rule.

(3) Procedure for Requesting Review. A request for review must be made in writing within thirty (30) minutes after a party receives notification of a determination under paragraph (c), except that if notification is made after 2:30 p.m. Central Time ("CT"), either party has until 8:30 a.m. CT the next trading day to request review. The Obvious Error Panel shall review the facts and render a decision on the day of the transaction, or the next trade day in the case where a request is properly made the next trade day.

(4) Panel Decision. The Obvious Error Panel may overturn or modify an action taken under this Rule upon agreement by a majority of the Panel representatives. All determinations by the Obvious Error Panel may be appealed in accordance with paragraph (m) of this Rule.

(1) *Catastrophic Error Panel*

(1) Composition. A Catastrophic Error Panel will be comprised of at least one (1) member of the Exchange's staff designated to perform Catastrophic Error Panel functions and four (4) Trading Permit Holders. Fifty percent of the number of Trading Permit Holders on the Catastrophic Error Panel must be directly engaged in market making activity and fifty percent of the number of Trading Permit Holders on the Catastrophic Error Panel must act in the capacity of a non-DPM floor broker.

(2) Scope of Review. If a party affected by a determination made under paragraph (d) so requests within the time permitted in paragraph (1)(3) below, a Catastrophic Error Panel will review decisions made under this Rule, including whether a catastrophic error occurred, whether the correct Theoretical Price was used, and whether the correct adjustment was made at the correct price.

3) Procedure for Requesting Review. A request for review must be made in writing within thirty (30) minutes after a party receives notification of a determination under paragraph (d), except that if notification is made after 2:30 p.m. Central Time ("CT"), either party has until 8:30 a.m. CT the next trading day to request review. The Catastrophic Error Panel shall review the facts and render a decision on the day of the transaction, or the next trade day in the case where a request is properly made the next trade day.

(4) Panel Decision. The Catastrophic Error Panel may overturn or modify an action taken under this Rule upon agreement by a majority of the Panel representatives. All determinations by the Catastrophic Error Panel may be appealed in accordance with paragraph (m) of this Rule.

(m) Review. Subject to the limitations contained in (c)(3) above, a Trading Permit Holder affected by a determination made under this Rule may appeal such determination, in accordance with Chapter XIX of the Exchange's rules. For purposes of this Rule, a Trading Permit Holder must be aggrieved as described in Rule 19.1. Notwithstanding any provision in Rule 19.2 to the contrary, a request for review must be made in writing (in a form and manner prescribed by the Exchange) no later than the close of trading on the next trade date after the Trading Permit Holder receives notification of such determination from the Exchange.

...Interpretations and Policies:

.01 Limit Up-Limit Down State. During a pilot period set to end on October 23, 2015, an execution will not be subject to review as an Obvious Error or Catastrophic Error pursuant to paragraph (c) or (d) of this Rule if it occurred while the underlying security was in a "Limit State" or "Straddle State," as defined in the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act (the "Limit Up-Limit Down Plan"). Nothing in this provision shall prevent such execution from being reviewed on an Official's own motion pursuant to sub-paragraph (c)(3) of this Rule, or a bust or adjust pursuant to paragraphs (e) through (j) and Interpretation .05 of this Rule.

.02 For the purposes of this Rule, to the extent the provisions of this Rule would result in the Exchange applying an adjustment of an erroneous sell transaction to a price lower than the execution price or an erroneous buy transaction to a price higher than the execution price, the Exchange will not adjust or nullify the transaction, but rather, the execution price will stand.

.03 Notwithstanding the provisions of Rule 6.25, opening transactions that do not satisfy the requirements of Rule 5.4 will be nullified.

.04 Binary Options: For purposes of the obvious error provisions in paragraph (c) of this Rule, the adjusted price (including any applicable adjustment under (c)(4)(A) for non-customer transactions) shall not exceed the applicable exercise settlement amount for the binary option.

.05 Verifiable Disruptions or Malfunctions of Exchange Systems: Electronic or open outcry transactions arising out of a "verifiable disruption or malfunction" in the use or operation of any Exchange automated quotation, dissemination, execution, or communication system will either be nullified or adjusted by an Official. Transactions that qualify for price adjustment will be adjusted to Theoretical Price, as defined in paragraph (b) above.

.06 Any determination made by an Official, an Obvious Error Panel, or a Catastrophic Error Panel under this Rule shall be rendered without prejudice as to the rights of the parties to the transaction to submit a dispute to arbitration.

[Rule 6.25 Nullification and Adjustment of Options Transactions

This Rule governs the nullification and adjustment of options transactions. Paragraphs (a)(1), (2) and (5) of this Rule have no applicability to trades executed in open outcry.

(a) Trades Subject to Review

A Trading Permit Holder or person associated with a Trading Permit Holder may have a trade adjusted or nullified if, in addition to satisfying the procedural requirements of paragraph (b) below, one of the following conditions is satisfied:

(1) Obvious Price Error: For purposes of this Rule only, an obvious pricing error occurs when the execution price of an electronic transaction is above or below the Theoretical Price for the series by an amount equal to at least the amount shown below:

Theoretical Price	Minimum Amount
Below \$2	\$0.25
\$2 to \$5	\$0.40
Above \$5 to \$10	\$0.50
Above \$10 to \$20	\$0.80
Above \$20	\$1.00

For purposes of this Rule only, a Catastrophic Error will be deemed to have occurred when the execution price of a transaction is higher or lower than the Theoretical Price for the series by an amount equal to at least the amount shown below:

Theoretical Price	Minimum Amount
Below \$2	\$1.00
\$2 to \$5	\$2.00
Above \$5 to \$10	\$3.00

Above \$10 to \$20	\$5.00
Above \$20 to \$50	\$7.00
Above \$50 to \$100	\$10.00
Above \$100	\$15.00

Definition of Theoretical Price. For purposes of this Rule only, the Theoretical Price of an option series is:

- (i) for series traded on at least one other options exchange, the last national best bid price with respect to an erroneous sell transaction and the last national best offer price with respect to an erroneous buy transaction, just prior to the trade;
- (ii) except in the circumstance provided below, for transactions occurring as part of the Rapid Opening System ("ROS trades") or Hybrid Opening System ("HOSS"), the first quote after the transaction(s) in question that does not reflect the erroneous transaction(s) provided that the option contract quantity that is subject to nullification or adjustment shall not exceed the quote size and that any nullification or adjustment shall be applied on a pro-rata basis considering the overall size of the HOSS opening trade;
- (iii) for transactions occurring as part of HOSS in any index options series being used to calculate the final settlement price of a volatility index on the final settlement day, the first quote after the transaction(s) in question that does not reflect the erroneous transaction(s), provided that the quote size is for at least the overall size of the HOSS opening trade; if the quote size is for less than the overall size of the HOSS opening trade, then the obvious price error provision shall not apply; or
- (iv) if there are no quotes for comparison, or if the bid/ask differential of the national best bid and offer for the affected series just prior to the erroneous transaction was at least two times the permitted bid/ask differential determined by the Exchange, designated Trading Officials will determine the Theoretical Price.

Price Adjustment or Nullification: Obvious Pricing Errors will be adjusted or nullified in accordance with (i), (ii), (iii) or (iv) below or any combination thereof:

(i) Transactions Where No Party is a non-broker-dealer Customer: Where no parties to the transaction are non-broker-dealer Customers, the execution price of the transaction will be adjusted by Trading Officials to the prices provided in paragraphs (A) and (B) below, minus (plus) an adjustment penalty ("adjustment penalty"), unless both parties agree to adjust the transaction to a different price or agree to bust the trade within ten (10) minutes of being notified by Trading Officials of the Obvious Error.

A. Erroneous buy transactions will be adjusted to their Theoretical Price plus an adjustment penalty of either \$.15 if the Theoretical Price is under \$3 or \$.30 if the Theoretical Price is at or above \$3.

B. Erroneous sell transactions will be adjusted to their Theoretical Price minus an adjustment penalty of either \$.15 if the Theoretical Price is under \$3 or \$.30 if the Theoretical Price is at or above \$3.

(ii) Transactions Where At Least One Party is a non-broker-dealer Customer:

Where at least one party to the transaction is a non-broker-dealer Customer, the trade will be busted by Trading Officials unless both parties agree to an adjustment price for the transaction within thirty (30) minutes of being notified by Trading Officials of the Obvious Error.

(iii) Transactions during Opening Rotation Between a non-broker-dealer Customer and CBOE Market-Maker(s):

After the fifteen minute notification period as described in (b)(1) below and until 3:30 p.m. CT for Regular Trading Hours or 8:30 a.m. CT for Extended Trading Hours on the subject trade date, where parties to the transaction are a non-broker-dealer customer and CBOE Market-Maker(s), the non-broker-dealer customer may request review of the subject transaction, and the execution price of the transaction will be adjusted (provided the adjustment does not violate the customer's limit price) by Trading Officials to the prices provided in paragraphs (A) and (B) above, without the adjustment penalty, unless both parties agree to adjust the transaction to a different price or agree to bust the trade within fifteen (15) minutes of being notified by Trading Officials of the Obvious Error. The option contract quantity of any adjustment shall not exceed the disseminated national best bid or national best offer size as provided in subparagraphs (a)(1)(ii) and (iii) above. In the event a non-CBOE Market-Maker is also party to the transaction, the adjustment procedures described below shall also apply.

(iv) Transactions during Opening Rotation Between a non-broker-dealer Customer and at least one non-CBOE Market-Maker(s):

After the fifteen minute notification period as described in (b)(1) below and until 3:30 p.m. CT for Regular Trading Hours or 8:30 a.m. CT for Extended Trading Hours on the subject trade date, where parties to the transaction are a non-broker-dealer customer and a non-CBOE Market-Maker(s), the non-broker-dealer customer may request review of the subject transaction and, the execution price of the transaction will be adjusted (provided the adjustment does not violate the non-CBOE Market-Maker's limit price) by Trading Officials to the prices provided in paragraphs (A) and (B) above, without the adjustment penalty, unless both parties agree to adjust the transaction to a different price or agree to bust the trade within fifteen (15) minutes of being notified by Trading Officials of the Obvious Error. The option contract quantity of any adjustment shall not exceed the disseminated national best bid or national best offer size as provided in subparagraphs (a)(1)(ii) and (iii) above.

(2) No Bid Series: Electronic transactions in series quoted no bid on the Exchange will be nullified provided:

(i) the bid in that series immediately preceding the execution was, and for five seconds prior to the execution remained, zero; and

- (ii) at least one strike price below (for calls) or above (for puts) in the same options class was quoted no bid at the time of execution.

For purposes of subparagraphs (a)(2)(i) and (a)(2)(ii), bids and offers of the parties to the subject trade that are in any of the series in the same options class shall not be considered. In addition, each group of series in an options class with a non-standard deliverable will be treated as a separate options class.

(3) Verifiable Disruptions or Malfunctions of Exchange Systems: Electronic or open outcry transactions arising out of a "verifiable disruption or malfunction" in the use or operation of any Exchange automated quotation, dissemination, execution, or communication system will either be nullified or adjusted by Trading Officials. Transactions that qualify for price adjustment will be adjusted to Theoretical Price, as defined in paragraph (a)(1) above.

(4) Erroneous Print in Underlying or Related Instrument: A trade resulting from an erroneous print disseminated in a designated underlying or related instrument which is later cancelled or corrected may be adjusted or nullified as set forth in paragraph (a)(1) above. In order to be adjusted or nullified, however, the trade must be the result of an erroneous print that is higher or lower than the average trade in the instrument during a two-minute period before and after the erroneous print by an amount at least five times greater than the average quote width for such instrument during the same period.

For purposes of this paragraph (4):

- (i) The underlying or related instrument(s) (which may include the underlying or related ETF(s), HOLDRS(s) and/or index value(s), and/or related futures product(s)) and the relevant market(s) will be designated by the Exchange and announced to the Trading Permit Holders via Regulatory Circular. To qualify for consideration as a "related instrument:" (A) the ETF, HOLDRS or index option class and related instrument must be derived from or designed to track the same underlying index; or (B) in the case of S&P 100-related options, the options class and related instrument must be derived from or designed to track the S&P 100 Index or the S&P 500 Index.
- (ii) For purposes of an equity, ETF, HOLDRS or futures product, the average trade in the underlying or related instrument shall be determined by adding the prices of each trade during the four minute time period referenced above (excluding the trade in question) and dividing by the number of trades during such time period (excluding the trade in question). The average quote width shall be determined by adding the quote widths of sample quotations at regular 15-second intervals during the four minute time period referenced above (excluding the quote in question) and dividing by the number of sample quotations during such time period (excluding the quote in question).
- (iii) For purposes of an index value, the above-references to "average trade" and "average quote width" shall mean the average index value and the index range. The average index value shall be determined by adding the index values reported during the four minute time period referenced above (excluding the index value in question)

and dividing by the number of index values reported during such time period (excluding the index value in question). The index range shall be the difference between the highest and lowest index values during the four minute time period referenced above (excluding the index value in question).

(5) Erroneous Quote in Underlying or Related Instrument: A trade resulting from an erroneous quote in a designated underlying or related instrument may be adjusted or nullified as set forth in paragraph (a)(1) above. An erroneous quote occurs when the underlying or related instrument has a width of at least \$1.00 and has a width at least five times greater than the average quote width for such underlying security or related instrument may on the relevant market during the time period encompassing two minutes before and after the dissemination of such quote. For purposes of this paragraph (5):

- (i) The underlying or related instrument(s) (which may include the underlying or related ETF(s), HOLDRS(s) and/or index value(s), and/or related futures product(s)) and the relevant market(s) will be designated by the Exchange and announced to the Trading Permit Holders via Regulatory Circular. To qualify for consideration as a "related instrument:" (A) the ETF, HOLDRS or index option class and related instrument must be derived from or designed to track the same underlying index; or (B) in the case of S&P 100-related options, the options class and related instrument must be derived from or designed to track the S&P 100 Index or the S&P 500 Index.
- (ii) The average quote width shall be determined by adding the quote widths of sample quotations at regular 15-second intervals during the four minute time period referenced above (excluding the quote in question) and dividing by the number of quotes during such time period (excluding the quote in question).

(6) Opening Trades in Rule 5.4 Restricted Series: Opening transactions that do not satisfy the requirements of Rule 5.4 will be nullified.

(b) Procedures for Reviewing Transactions

(1) Notification: Any Trading Permit Holder or person associated with a Trading Permit Holder that believes it participated in a transaction that may be adjusted or nullified in accordance with paragraph (a) must notify any Trading Official or designated personnel in the control room promptly but not later than fifteen (15) minutes after the execution in question, except for the time frame set forth in paragraphs (a)(1)(iii) or (a) (1)(iv). Absent unusual circumstances, relief shall not be granted under this Rule unless notification is made within the prescribed time periods.

In the absence of unusual circumstances, (i) Trading Officials (either on their own motion or upon request of a Trading Permit Holder) must initiate action pursuant to paragraph (a)(3) above within sixty (60) minutes of the occurrence of the verifiable disruption or malfunction; and (ii) designated personnel in the control room (either on their own motion or upon request of a Trading Permit Holder) must initiate action pursuant to paragraph (a)(6) within sixty (60) minutes of the occurrence of the opening transaction in a Rule 5.4 restricted series. When action is taken pursuant to paragraphs (a)(3) or (6), the

Trading Permit Holders involved in the transaction(s) shall receive verbal notification as soon as is practicable.

(2) Review and Determination: Once a party to a transaction has applied for review, the transaction shall be reviewed and a determination rendered, unless both parties to the transaction agree to withdraw the application for review prior to the time a decision is rendered. All transactions shall be reviewed and determinations rendered by Trading Officials, except that actions pursuant to paragraph (a)(6) shall be reviewed and determinations rendered by the senior official in the control room.

Absent unusual circumstances (*e.g.*, a large number of disputed transactions arising out of the same incident), a determination must be rendered within sixty (60) minutes of receiving notification pursuant to paragraph (b)(1) above. Verbal notification of a determination will be promptly provided to the Trading Permit Holders involved in the disputed transaction and to the control room.

(3) Procedures for Reviewing Transactions on CBOE's Own Motion: In the interest of maintaining a fair and orderly market and for the protection of investors, the President of CBOE or his/her designee, who shall be an officer of CBOE but may not be a Trading Permit Holder ("CBOE officer"), may, on his or her own motion or upon request, determine to review any transaction occurring on CBOE that is believed to be erroneous. A transaction reviewed pursuant to this paragraph may be nullified or adjusted only if it is determined by the CBOE officer that the transaction is erroneous as provided in paragraphs (a)(1)-(6) of this Rule. A transaction would be adjusted or nullified in accordance with the provision under which it is deemed an erroneous transaction. The CBOE officer may be assisted by Trading Officials in reviewing a transaction (or the senior official in the control room in the case of a transaction being reviewed under Rule 6.25(a)(6)).

The CBOE officer shall act as soon as possible after receiving notification of the transaction, and ordinarily would be expected to act on the same day as the transaction occurred. In no event shall the CBOE officer act later than 8:30 a.m. (CT) on the next trading day following the date of the transaction at issue. A Trading Permit Holder affected by a nullification or adjustment of a transaction reviewed pursuant to this paragraph (b)(3) may appeal such nullification or adjustment in accordance with paragraph (e) of this Rule; however, a determination by a CBOE officer not to review a transaction, or a determination by a CBOE officer not to nullify or adjust a transaction for which a review was requested or conducted, is not appealable. Transactions adjusted or nullified pursuant to this subsection cannot be reviewed by an Obvious Error Panel under paragraph (c) of this Rule. Relief shall not be granted under this paragraph (b)(3) if a transaction was reviewed and a determination rendered under paragraphs (b)(1) and (b)(2) above.

(c) Obvious Error Panel

(1) Composition. An Obvious Error Panel will be comprised of at least one (1) member of the Exchange's staff designated to perform Obvious Error Panel functions and four (4) Trading Permit Holders. Fifty percent of the number of Trading Permit Holders on the

Obvious Error Panel must be directly engaged in market making activity and fifty percent of the number of Trading Permit Holders on the Obvious Error Panel must act in the capacity of a non-DPM floor broker.

(2) Scope of Review. If a party affected by a determination made under paragraph (b)(2) so requests within the time permitted in paragraph (c)(3) below, an Obvious Error Panel will review decisions made under this Rule, including whether an obvious error occurred, whether the correct Theoretical Price was used, and whether the correct adjustment was made at the correct price. A party may also request that the Obvious Error Panel provide relief as required in this Rule in cases where the party failed to provide the notification required in paragraph (b)(1) and an extension was not granted, but unusual circumstances must merit special consideration. A party cannot request review by an Obvious Error Panel of determinations by a CBOE officer made pursuant to paragraph (b)(3) of this Rule.

(3) Procedure for Requesting Review. A request for review must be made in writing within thirty (30) minutes after a party receives verbal notification of a final determination under paragraph (b)(2), except that if notification is made after 2:30 p.m. Central Time ("CT"), either party has until 8:30 a.m. CT the next trading day to request review. The Obvious Error Panel shall review the facts and render a decision on the day of the transaction, or the next trade day in the case where a request is properly made the next trade day.

(4) Panel Decision. The Obvious Error Panel may overturn or modify an action taken under this Rule upon agreement by a majority of the Panel representatives. All determinations by the Obvious Error Panel may be appealed in accordance with paragraph (e) of this Rule.

(d) Catastrophic Error Procedure

The Exchange shall administer the application of this provision as follows.

- (1) Notification. If a Trading Permit Holder believes that it participated in a transaction that qualifies as a Catastrophic Error pursuant to paragraph (a)(1) above, it must notify any Trading Official or designated personnel in the control room by 7:30 a.m. CT on the first trading day following the date the Catastrophic Error occurred. For transactions in an expiring options series that take place on expiration Friday, notification must be made by 4:00 p.m. CT that same day. Relief will not be granted under this paragraph: (i) unless notification is made within the prescribed time period; and (ii) if an Obvious Error Panel has previously rendered a decision with respect to the transaction(s) in question.
- (2) Composition. A Catastrophic Error Panel will be comprised of at least one (1) member of the Exchange's staff designated to perform Catastrophic Error Panel functions and four (4) Exchange Trading Permit Holders, will determine whether the transaction(s) qualifies as a Catastrophic Error. Fifty percent of the number of Exchange Trading Permit Holders on the Catastrophic Error Panel must be directly engaged in market making activity and fifty percent of the number of Exchange

Trading Permit Holders on the Catastrophic Error Panel must act in the capacity of a floor broker.

(3) Determination. If it is determined that a Catastrophic Error has occurred, the execution price of the transaction(s) will be adjusted according to paragraph (d)(4) below. If it is determined that a Catastrophic Error has not occurred, the Trading Permit Holder will be subject to a charge of \$5,000. All determinations by the Catastrophic Error Panel may be appealed in accordance with paragraph (e) of this Rule.

(4) Adjustment. If it is determined that a Catastrophic Error has occurred, unless both parties agree to adjust the transaction(s) to a different price, the execution price of the transaction(s) will be adjusted to the theoretical price (i) plus the adjustment value provided below for erroneous buy transactions, or (ii) minus the adjustment value provided below for erroneous sell transactions:

Theoretical Price	Adjustment Value
Below \$2	\$1.00
\$2 to \$5	\$2.00
Above \$5 to \$10	\$3.00
Above \$10 to \$20	\$5.00
Above \$20 to \$50	\$7.00
Above \$50 to \$100	\$10.00
Above \$100	\$15.00

(e) Review

Subject to the limitations contained in paragraph (b)(3) of this Rule, a Trading Permit Holder affected by a determination made under this Rule may appeal such determination, in accordance with Chapter XIX of the Exchange's rules. For purposes of this Rule, a Trading Permit Holder must be aggrieved as described in Rule 19.1. Notwithstanding any provision in Rule 19.2 to the contrary, a request for review must be made in writing (in a form and manner prescribed by the Exchange) no later than the close of trading on the

next trade date after the Trading Permit Holder receives verbal notification of such determination from the Exchange.

Approved November 24, 2003 (01-04); amended April 12, 2004 (03-59); August 12, 2004 (04-02); December 28, 2004 (04-83); February 10, 2005 (05-12); July 5, 2005 (05-44); June 16, 2006 (05-63); September 20, 2007 (07-04); December 18, 2007 (07-148); May 23, 2008 (08-02); October 14, 2008 (08-90); January 7, 2009 (08-118); May 27, 2009 (09-024); September 28, 2009 (09-067); June 18, 2010 (10-058); November 27, 2013 (13-103); September 25, 2014 (14-066); November 28, 2014 (14-062).

. . . Interpretations and Policies:

.01 Applicability: Trading Officials may also allow for the execution of ROS trades (and assign those trades to participating ROS Market-Makers) that were not executed on the opening but that should have been executed had ROS opened the series at the non-erroneous quote. The Exchange will endeavor to notify its Trading Permit Holders as soon as practicable after the correction of an erroneous print and will indicate that this may result in the adjustment of trades executed pursuant to ROS. The only trades that will be adjusted are those that were executed on the opening or those that should have been executed on the opening. All adjustments will be made during the day when the correction of the erroneous print occurred.

Amended June 18, 2010 (10-058).

.02 Trading Officials: The term "Trading Officials" means, during Regular Trading Hours, three Exchange officials designated to perform Trading Official functions, at least one of which is an Exchange Trading Permit Holder designated as a Floor Official and at least one of which is a member of the Exchange's staff designated to perform Trading Official functions, and during Extended Trading Hours, at least two Exchange officials that are members of the Exchange's staff designated to perform Trading Official functions.

Amended May 27, 2009 (09-024); June 18, 2010 (10-058); November 28, 2014 (14-062).

.03 Definitions: For purposes of this Rule, an "erroneous sell transaction" is one in which the price received by the person selling the option is erroneously low, and an "erroneous buy transaction" is one in which the price paid by the person purchasing the option is erroneously high.

Approved November 24, 2003 (01-04); amended December 28, 2004 (04-83); September 21, 2007 (07-110).

.04 Binary Options: For purposes of the obvious pricing error provision in paragraph (a)(1) of this Rule, the adjusted price (including any applicable adjustment penalty for transactions between CBOE Market-Makers) shall not exceed the applicable exercise settlement amount for the binary option.

Approved May 27, 2009 (09-024).

.05 Transactions During Opening Rotation: For purposes of the obvious pricing error provision in paragraph (a)(1) of this Rule, non-broker-dealer Customer "transactions during the opening rotation" that are subject to the price adjustment and nullification provisions of subparagraph (iii) and (iv) shall include orders executed via ROS or HOSS, marketable orders entered before the open that are executed through the HAL process for openings under Rule 6.2B.03, and complex orders entered before the open that are executed immediately following the opening rotation through the Complex Order Book under Rule 6.53C provided such a complex order would have been marketable against the opening rotation price(s).

Approved May 27, 2009 (09-024); amended July 31, 2012 (12-048); November 27, 2013 (13-103).

.06 Limit Up-Limit Down State. For purposes of the obvious pricing error provision in paragraph (a)(1) of this Rule, executions will not be adjusted or nullified if they occurred while the underlying security was in a limit up-limit down state, as defined in Rule 6.3A. Nothing in this provision shall prevent such executions to be reviewed on an Exchange motion pursuant to Rule 6.25(b)(3). This provision will be on a pilot basis to expire on October 23, 2015. The Exchange will provide the Commission with data and analysis during the duration of this pilot as requested.]

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Rule 29.15. Nullification and Adjustment of Credit Option Transactions

(a) Except as provided below, Rule 6.25 shall govern the nullification and adjustment of transactions involving Credit Options.

(b) Paragraphs (b), (c)(1), (c)(4), (d), (e), (g), (h), (l), and Interpretation and Policy .05 [(a)] of Rule 6.25 has no applicability to Credit Option transactions. For purposes of paragraphs (b), (c)(1), (c)(4), (d), (e), (g), (h), (l), and Interpretation and Policy .05 [(a)] of Rule 6.25, a Trading Permit Holder or person associated with a Trading Permit Holder may have a trade nullified or adjusted if, in addition to the procedural requirements [of paragraph (b)] of Rules 6.25(c)(2) and (3), one of the following conditions is satisfied:

(1) and (2). No Change.