

EXHIBIT 5

(additions are underlined; deletions are [bracketed])

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**Chicago Board Options Exchange, Incorporated  
Rules**

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**Rule 8.7. Obligations of Market-Makers**

(a) – (c) *No changes.*

(d) *Market-Making Obligations in Applicable Hybrid Classes*

*No changes.*

**(i) Market-Maker Trades 20% or Less Contract Volume Electronically:**

*No changes.*

**(ii) Market-Maker Trades More Than 20% Contract Volume Electronically:**

If a Market-Maker on the CBOE Hybrid System transacts more than 20% of the Market-Maker's contract volume electronically in an appointed Hybrid class during any calendar quarter, commencing the next calendar quarter the Market-Maker will be subject to the following quoting obligations in that class for as long as he remains in that class:

(A) *No changes.*

(B) Continuous Electronic Quoting Obligation: A Market-Maker will be required to maintain continuous electronic quotes (as defined in Rule 1.1 (ccc)) in 60% of the non-adjusted option series of the Market-Maker's appointed class that have a time to expiration of less than nine months. The initial size of a Market-Maker's quote must be for the minimum number of contracts determined by the Exchange on a class by class basis, which minimum shall be at least one contract. This obligation does not apply to intra-day add-on series on the day during which such series are added for trading.

(C) *No changes.*

**... Interpretations and Policies:**

**.01** Price continuity is an ongoing obligation of Market-Makers and thus applies not only intra-day but also from one day's close to the next day's opening. Notwithstanding the foregoing, as set forth in paragraph (d)(ii)(B), the continuous electronic quoting obligation does not apply to intra-day add-on series on the day during which such series are added for trading.

**.02 – .13** *No changes.*

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**Rule 8.13. Preferred Market-Maker Program**

(a) *No changes.*

(b) *Eligibility.* Any Exchange Market-Maker type (e.g. Lead Market-Maker, and Designated Primary Market-Maker) may be designated as a Preferred Market-Maker, however, the Hybrid System is programmed so that a recipient of a Preferred Market-Maker order will only receive a participation entitlement for such order if the following provisions are met:

- (i) The Preferred Market-Maker has an appointment/allocation in the relevant option class.
- (ii) The Preferred Market-Maker is quoting at the best bid/offer on the Exchange.

(c) *Entitlement Rate.* Provided the provisions of subparagraph (b) above have been met, the Preferred Market-Maker participation entitlement shall be 40% when there are two or more Market-Makers also quoting at the best bid/offer on the Exchange, and 50% when there is only one other Market-Maker quoting at the best bid/offer on the Exchange. In addition, the following shall apply:

- (i) A Preferred Market-Maker may not be allocated a total quantity greater than the quantity that the Preferred Market-Maker is quoting at the best bid/offer on the Exchange.
- (ii) The participation entitlement rate is based on the number of contracts remaining after all public customer orders in the book at the best bid/offer on the Exchange have been satisfied.
- (iii) If a Preferred Market-Maker receives a participation entitlement under this Rule, then no other participation entitlements set forth in Exchange Rules ( e.g. Rule 8.87 Participation Entitlement of DPMs and e-DPMs and Rule 8.15B Participation Entitlement of LMMs) shall apply to such order.

(d) *Quoting Obligations:* The Preferred Market-Maker must comply with the quoting obligations applicable to its Market-Maker type under Exchange rules and must provide continuous electronic quotes (as defined in Rule 1.1(ccc)) in at least the lesser of 99% of the non-adjusted option series that have a time to expiration of less than nine months or 100% of the non-adjusted option series that have a time to expiration of less than nine months minus one call-put pair of each class for which it receives Preferred Market-Maker orders, with the term “call-put pair” referring to one call and one put that cover the same underlying instrument and have the same expiration date and exercise price. This obligation does not apply to intra-day add-on series on the day during which such series are added for trading.

**... Interpretations and Policies:**

**.01** *No changes.*

**.02** Rule 8.13(d) does not require a Preferred Market-Maker to provide continuous electronic quotes in intra-day add-on series or series that have a time to expiration of nine months or more in the classes for which it receives Preferred Market-Maker orders. However, a Preferred Market-Maker may still receive a participation entitlement in such series if it elects to quote in such series and otherwise satisfies the requirements set forth in Rule 8.13(b).

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### **Rule 8.15A. Lead Market-Makers in Hybrid Classes**

(a) *No changes.*

(b) **LMM Obligations.** LMMs are required to:

(i) provide continuous electronic quotes (as defined in Rule 1.1(ccc)) that comply with the bid/ask differential requirements determined by the Exchange on a class by class basis in at least the lesser of 99% of the non-adjusted option series or 100% of the non-adjusted option series minus one call-put pair within their assigned classes, with the term “call-put pair” referring to one call and one put that cover the same underlying instrument and have the same expiration date and exercise price. This obligation does not apply to intra-day add-on series on the day during which such series are added for trading. In option classes in which both an On-Floor LMM and an Off-Floor DPM have been appointed, the On-Floor LMM shall not be obligated to comply with this paragraph (b)(i) and instead shall be obligated to comply with the obligations of Market-Makers in Hybrid classes in Rule 8.7(d);

(ii) – (vii) *No changes.*

### **... Interpretations and Policies:**

**.01** *No changes.*

### **Rule 8.15B. Participation Entitlements of LLMs**

(a) *No changes.*

(b) To be entitled to a participation entitlement, the LMM must be quoting at the best bid/offer on the Exchange and the LMM may not be allocated a total quantity greater than the quantity for which the LMM is quoting at the best bid/offer on the Exchange. The participation entitlement is based on the number of contracts remaining after all public customer orders in the book at the best bid/offer on the Exchange have been satisfied. In option classes in which both an On-Floor LMM and an Off-Floor DPM have been appointed, the On-Floor LMM may receive a participation entitlement with respect to orders represented in open outcry, but shall not be eligible to receive a participation entitlement for trades executed electronically. The participation entitlement set forth in this Rule shall not apply in instances where a Preferred Market-Maker receives a participation entitlement pursuant to Rule 8.13 and is subject to the limitations for Off-Floor LMMs set forth in Rule 8.15A.01(a).

(c) The LMM participation entitlement shall be: 50% when there is one Market-Maker also quoting at the best bid/offer on the Exchange; 40% when there are two Market-Makers also quoting at the best bid/offer on the Exchange; and, 30% when there are three or more Market-Makers also quoting at the best bid/offer on the Exchange. If more than one LMM is entitled to a participation entitlement, such entitlement shall be distributed equally among all eligible LMMs provided, however, that an LMM may not be allocated a total quantity greater than the quantity for which the LMM is quoting at the best bid/offer on the Exchange.

The Exchange may determine, on a class-by-class basis, to decrease the LMM participation entitlement percentages from the percentages specified in paragraph (c). Such changes will be announced to the Trading Permit Holders in advance of implementation via Regulatory Circular.

**... Interpretations and Policies:**

**.01 Rule 8.15A(b)(i) does not require a LMM to provide continuous electronic quotes in intra-day add-on series on the day during which such series are added for trading. However, a LMM may still receive a participation entitlement in such series if it elects to quote in such series and otherwise satisfies the requirements set forth in Rule 8.15B(b).**

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**Rule 8.85. DPM Obligations**

(a) *Dealer Transactions.* Each DPM shall fulfill all of the obligations of a Market-Maker under the Rules, and shall satisfy each of the following requirements in respect of each of the securities allocated to the DPM. To the extent that there is any inconsistency between the specific obligations of a DPM set forth in subparagraphs (a)(i) through (a)(xii) of this Rule and the general obligations of a Market-Maker under the Rules, subparagraphs (a)(i) through (a)(xii) of this Rule shall govern. Each DPM shall:

(i) provide continuous electronic quotes (as defined in Rule 1.1(ccc)) in at least the lesser of 99% of the non-adjusted option series or 100% of the non-adjusted option series minus one call-put pair of each option class allocated to it, with the term “call-put pair” referring to one call and one put that cover the same underlying instrument and have the same expiration date and exercise price, and assure that its disseminated market quotations are accurate. This obligation does not apply to intra-day add-on series on the day during which such series are added for trading;

(ii) – (xii) *No changes.*

**... Interpretations and Policies:**

**.01 – .02** *No changes.*

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**Rule 8.87. Participation Entitlement of DPMs and e-DPMs**

(a) *No changes.*

(b) The participation entitlement for DPMs and e-DPMs (as defined in Rule 8.92) shall operate as follows:

(1) *Generally.*

(i) To be entitled to a participation entitlement, the DPM/e-DPM must be quoting at the best bid/offer on the Exchange.

(ii) A DPM/e-DPM may not be allocated a total quantity greater than the quantity that the DPM/e-DPM is quoting at the best bid/offer on the Exchange.

(iii) The participation entitlement is based on the number of contracts remaining after all public customer orders in the book at the best bid/offer on the Exchange have been satisfied.

(iv) An Off-Floor DPM shall not receive a participation entitlement with respect to orders represented in open outcry on CBOE's trading floor.

(2) *Participation Rates applicable to DPM Complex.* The collective DPM/e-DPM participation entitlement shall be: 50% when there is one Market-Maker also quoting at the best bid/offer on the Exchange; 40% when there are two Market-Makers also quoting at the best bid/offer on the Exchange; and, 30% when there are three or more Market-Makers also quoting at the best bid/offer on the Exchange.

(3) *Allocation of Participation Entitlement Between DPMs and e-DPMs.* The participation entitlement shall be as follows: If the DPM and one or more e-DPMs are quoting at the best bid/offer on the Exchange, the e-DPM participation entitlement shall be one-half (50%) of the total DPM/e-DPM entitlement and shall be divided equally by the number of e-DPMs quoting at the best bid/offer on the Exchange. The remaining half shall be allocated to the DPM. If the DPM is not quoting at the best bid/offer on the Exchange and one or more e-DPMs are quoting at the best bid/offer on the Exchange, then the e-DPMs shall be allocated the entire participation entitlement (divided equally between them). If no e-DPMs are quoting at the best bid/offer on the Exchange and the DPM is quoting at the best bid/offer on the Exchange, then the DPM shall be allocated the entire participation entitlement. If only the DPM and/or e-DPMs are quoting at the best bid/offer on the Exchange (with no Market-Makers at that price), the participation entitlement shall not be applicable and the allocation procedures under Rule 6.45A shall apply.

(4) *Participation Entitlement In Instances Where a Preferred Market-Maker Receives a Participation Entitlement Pursuant to Rule 8.13.* The participation entitlement set forth in this Rule shall not apply in instances where a Preferred Market-Maker receives a participation entitlement pursuant to Rule 8.13.

**... Interpretations and Policies:**

**.01** *No changes.*

**.02** Rule 8.85(a)(i) and Rule 8.93(i) do not require a DPM or e-DPM, respectively, to provide continuous electronic quotes in intra-day add-on series on the day during which such series are added for trading. However, a DPM or e-DPM may still receive a participation entitlement in

such series if it elects to quote in such series and otherwise satisfies the requirements set forth in Rule 8.87(b).

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**Rule 8.93. e-DPM Obligations**

Each e-DPM shall fulfill all of the obligations of a Market-Maker and of a DPM under the Rules (except those contained in Rules 8.85(a)(i), (iv), (v), (vii)–(x), and (xii), 8.85(c)(i) and (v), and 8.85(e)), and shall satisfy each of the following requirements:

(i) provide continuous electronic quotes (as defined in Rule 1.1(ccc)) in at least the lesser of 99% of the non-adjusted option series or 100% of the non-adjusted option series minus one call-put pair of each allocated class, with the term “call-put pair” referring to one call and one put that cover the same underlying instrument and have the same expiration date and exercise price. This obligation does not apply to intra-day add-on series on the day during which such series are added for trading;

(ii) – (xi) *No changes.*

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