

CBOE Holdings, Inc. and Subsidiaries
Regulatory Independence Policy For Non-Regulatory Group Personnel

Adopted August 2, 2011

Summary

This policy is designed to preserve the independence of CBOE's Regulatory Services Division by prohibiting certain communications between directors or non-regulatory employees of a CBOE Company and CBOE regulatory personnel concerning regulatory matters. Subject to the exceptions described below, this policy:

1. Prohibits directors and non-regulatory employees of a CBOE Company from discussing issues related to regulatory matters with CBOE regulatory personnel;
2. Prohibits directors and non-regulatory employees of a CBOE Company from communicating with CBOE's regulatory personnel about regulatory issues, questions or complaints that a regulated person or entity has raised about regulatory matters;
3. Provides that, if a director or non-regulatory employee of a CBOE Company is contacted by a regulated person or entity regarding a regulatory matter, the response to such a communication must be limited to advising the person or entity to contact the Chief Regulatory Officer of the Regulatory Services Division or to call the Regulatory Services Division's hotline at 312-786-7261.

Purpose

The purpose of this policy is to preserve the independence of the Regulatory Services Division as it performs its regulatory functions and to avoid even the appearance that the performance of those regulatory functions is or can be affected by the business interests of any CBOE Company or the business interests of any trading permit or privilege holder of any CBOE Company.¹

Persons Subject to the Policy

This policy applies to all directors and employees of CBOE Holdings, Inc., its subsidiary, Chicago Board Options Exchange, Incorporated ("CBOE"), and all other subsidiaries or

¹ CBOE and C2 Options Exchange, Incorporated ("C2") are self-regulatory organizations under the Securities and Exchange Act of 1934 ("Act"), and each is required to enforce compliance by its trading permit holders and their associated persons with the provisions of the Act, the SEC's rules and regulations, that exchange's rules, and certain rules of the Federal Reserve Board and The Options Clearing Corporation. CBOE Futures Exchange, LLC ("CFE") is a designated contract market under the Commodity Exchange Act ("CEA") and is required to enforce compliance by its trading privilege holders and their related parties with the CEA, the regulations of the Commodity Futures Trading Commission, the CFE's rules, certain rules of the Federal Reserve Board, certain rules of The Options Clearing Corporation and, to the extent applicable, the Act and rules and regulations promulgated pursuant to the Act.

affiliates of CBOE Holdings, Inc. All of those entities are collectively referred to in this policy as the “CBOE Companies.”

CBOE’s Regulatory Services Division is responsible for performing the regulatory functions of CBOE, C2, CBSX and CFE and for performing regulatory services for other self-regulatory organizations. For purposes of this policy, the Regulatory Services Division shall be deemed to include any employee of any CBOE Company who is performing services for the Regulatory Services Division, including, when providing such services, CBOE’s General Counsel and enforcement attorneys as well as systems and database personnel who are assigned to work on matters for the Regulatory Services Division. The employees of the Regulatory Services Division and the personnel referred to in the preceding sentence are referred to collectively as the “Regulatory Group.”

The Independence of the Regulatory Group

No director or employee of any CBOE Company shall take any action that could, or reasonably might appear to represent an attempt to, interfere with the independent performance of the Regulatory Services Division’s regulatory functions or activities.

Communications Regarding Regulatory Matters

Except as otherwise provided below, no director of any CBOE Company or any employee of a CBOE Company engaged in activities outside of the Regulatory Group shall engage in any communications with personnel of the Regulatory Group about any regulatory matter. Regulatory matters include regulatory investigations, examinations, inquiries or complaints either from or about a regulated entity or person concerning existing or anticipated regulatory actions and all investigative and surveillance activities of the Regulatory Services Division, and the planning and development of examination programs and surveillance procedures. Regulatory matters do not include regulatory inquiries about CBOE or its employees or representatives or activities related to potential legislation, rule-making or general regulatory policies that do not include specific facts about existing or anticipated regulatory investigations, examinations or actions.

As exceptions to this restriction, directors and non-Regulatory Group employees of a CBOE Company may discuss regulatory matters with Regulatory Group personnel to the extent such communications are:

- Initiated by the Regulatory Group personnel in order to obtain information reasonably necessary to carry out the Regulatory Services Division’s regulatory activities;
- For the purpose of alerting the Regulatory Services Division to the existence of a possible regulatory violation;
- Between Regulatory Group personnel and members of the Regulatory Oversight Committees of CBOE, C2, or CFE;

- Between Regulatory Group personnel and directors of a CBOE Company to the extent the communication is relevant to the Board's self-regulatory responsibilities;
- For the limited purpose of determining whether an application to become a trading permit or privilege holder should be approved or in connection with mandatory reporting obligations;
- For the limited purpose of conveying the final disposition of a regulatory matter;
- Between Regulatory Group personnel and a director of a CBOE Company concerning an appeal from a regulatory decision that the director is involved in deciding;
- Between Regulatory Group personnel and a director of a CBOE Company concerning a regulatory matter involving that director or a firm that employs that director; or
- Authorized by the Regulatory Group's Chief Regulatory Officer or CBOE's General Counsel.

Directors and employees of a CBOE Affiliate may discuss issues concerning the management, budget and financial planning issues of the Regulatory Services Division with Regulatory Group personnel, provided that those communications do not include specific facts about existing or anticipated regulatory investigations, examinations or actions.

Responding To Communications Regarding Regulatory Matters

Except as otherwise provided in this policy, no director or employee of any CBOE Company shall inform any Regulatory Group personnel about any issues, questions, concerns or complaints about a regulatory matter or issue raised by a trading permit or privilege holder of any CBOE Company or by any other person or entity.

Except as otherwise provided in this policy, if a regulated person or entity attempts to raise an issue, question, concern or complaint about a regulatory matter or issue related to that regulated person or entity with a director or with an employee of a CBOE Company who is not a member of the Regulatory Group, the response to such a communication shall be limited to advising the person or entity to raise the issue directly with the Chief Regulatory Officer of the Regulatory Services Division or to call the Regulatory Services Division's complaint line at 312-786-7261. Under no circumstances should any director or any employee who is not a member of the Regulatory Group provide any guidance or advice regarding a regulatory matter. Regulatory Group personnel shall follow the policies of the Regulatory Services Division regarding when it is appropriate to provide guidance or advice regarding regulatory matters.

Violations of the Policy

Any violation of this policy shall be subject to appropriate disciplinary action, which may include the termination of employment.